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FOURTEEN PAGES - TWO RYALS

sistant panel ainst planned with bulky Netherlands

By a Staff Writer
Riyadh, Jan. 31 — Saudi Arabia and the Netherlands will sign shortly an agreement to set up a joint economic commission. Foreign Minister Christoph Van Der Klaauw told the *Arab News* Saturday.

Permanen minister, who arrived here on an official visit, was received Saturday morning by Farid Khaled. The meeting was attended by homes minister Abdullah, second deputy premier and fighting commander of the National Guard.

Christoph also held talks with Foreign Minister Prince Saad Al Faisal on bilateral and foreign policies and world developments.

As his capacity as president of the European Council of ministers of the European Economic Community, the Dutch minister will visit several Middle East countries.

He will talk with Yasser Arafat, chairman of the executive committee of the Palestine Liberation Organization.

Christoph however said that "nothing may be done during his chairmanship before the elections in Israel."

The Dutch minister will also visit Washington and brief President Ronald Reagan on his east tour. "I shall assure them (the Americans) that the EEC initiative toward the Middle East is not harmful," the minister said.

Dutch officials said in The Hague recently that the visit to Saudi Arabia, which will be followed by a visit to Algeria, was being made as his capacity as foreign minister of Holland.

They said, it was inevitable, that the sub-structure of a European initiative will be prominent and that the minister will speak as EEC president.

Christoph was quoted as saying that relations between the two countries was quite satisfactory and that the visit to the Kingdom is a reaffirmation of the improving ties. He will visit the Kingdom once again as president of the EEC council of ministers, when he goes on a tour of ten countries in the region.

Spain premier to be named by Tuesday

By Africa MADRID, Jan. 31 (AP) — King Juan Car-
los in Parliamentarian groups to seek a replace-
ment for centrist Premier Adolfo Suarez, who resigned Thursday. The ruling centrist
Democratic Union Party (UCD) nominated
Leopoldo Calvo Sotelo, a close
and of Suarez, Friday.

Calvo Sotelo, 54, second deputy premier
economic matters, had served until last
member as Spanish minister for relations
the European Economic Community
is said to have good contacts among
political leaders.

Under the constitution, the king is required
submit the name of his candidate for pre-
mer to parliament for confirmation. Juan
choice was expected to be known
Tuesday.



FIRST THE CARS, THEN THE SNOW: A motorist and his friend affix chains to their car they had to abandon after snowdrifts blocked the secondary road to Friedberg, near Frankfurt they were driving on. Snowplough in background waits for the car to be moved before it can clear the road.

(AP photo)

Toward Palestine

Arafat reminds Britain of moral responsibility

BEIRUT, Jan. 31 (AP) — Palestine Liberation Organization Chairman Yasser Arafat told a group of visiting British parliamentarians that Britain had a moral and historical responsibility to help solve the Palestinian problem, a spokesman for the group quoted Arafat as saying Saturday.

The group, which is made up of five Conservative and four Labor members, arrived in the Lebanese capital Thursday for a two-day visit at the invitation of the PLO.

Tony Marlow, Conservative, said the meeting with Arafat, which took place late Friday night at a PLO office in West Beirut, was "friendly." He added Arafat who seemed in good health despite having to wear a neck brace to support a slipped disk, said he had great hopes Europe would play an important role in any future Mideast peace negotiations.

Arafat was also quoted as saying he hoped Britain, because of its understanding of the situation and its past historic links, would help influence public opinion in the United States. He was quoted by the group as describing himself a "conservative" and said the new Palestine would be a democratic, socialist state.

Arafat also reiterated previous statements by PLO leaders that the Palestinians would be ready to set up a state in any part of the West Bank, occupied by Israel since the 1967 Mideast war, if Israel withdrew.

"The Palestinians seem more confident, more sophisticated and relaxed in some ways," said Frank Hooley, Labor, who said he had been with Arafat six years ago.

Nicholas Winterton, Conservative, said he believed the meeting with Arafat was very important and stressed that a quick solution to the Palestinian problem would automatically mean an end to the crisis in southern Lebanon. He said this was his first meeting with Arafat.

"Arafat feels his cause is now recognized," Winterton said. "He now has access to politicians and is therefore moving into a position

of being a statesman on behalf of the Palestinians."

Although the Lebanese press speculated the group may be paving the way for a meeting between British Foreign Secretary Lord Carrington, who recently toured the Middle East and Arafat, there was no mention of any such a plan, but Marlowe did not rule out the possibility.

He said the aim of the visit was to "build up an understanding between us and acquire proper insight into the difficulties and possible areas which can be developed."

The nine-member delegation left for Syria later in the day. They will also be visiting Jordan, where they hope to meet with Jordanian King Hussein, and the West Bank for a meeting with maimed Palestinian Mayor Bassam Shakaa.

**Mrs. Gro likely
to be Norway's
new premier**

OSLO, Jan. 31 (R) — A leading woman politician Saturday emerged as a likely successor to Norwegian Prime Minister Odvar Nordli, who resigned Friday after five years in office.

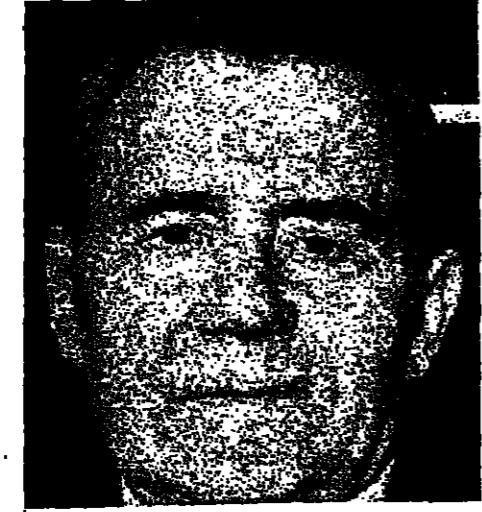
Mrs. Gro Harlem Brundtland, a former environment minister and deputy chairman of the ruling Labor Party, has widespread support among voters. Other likely candidates are Environment Minister Rolf Hansen and former Oil and Energy Minister Bjartmar Gjerdet. Both have considerable backing within the party, whose leaders will discuss a successor Tuesday.

Whoever succeeds Nordli will face a difficult task rebuilding public support for the party which has been losing ground steadily in recent opinion polls.

One poll earlier this month showed Labor and Conservatives running neck and neck. A general election is due in September.

U.S. renews warning

Poland intervention endangers ties



only with the help of U.S. bayonets and Western financial aid."

The Tass report and the television commentary were reserved in tone and avoided any personal attack on Reagan.

But they clearly indicated the Soviet Union had no intention of giving up its role in supporting national liberation movements even if this proved an obstacle to Strategic Arms Limitation Talks (SALT) with the United States.

Reagan has said several times that he would take into account the Soviet Union's overall behavior in foreign policy when considering the value of arms limitation talks.

Tass said, Reagan suggested further negotiations on arms limitation but insisted on linking this with matters which have no relevance to the issue.

The remark was a clear reference to Reagan's declaration that in any arms limitation talks, the United States would take into account the Soviet Union's general behavior in foreign policy and, specifically, its support for what it termed "national liberation movements" in Africa and central and southern America.

The carefully-worded dispatch was the first official Soviet criticism of Reagan since he took office Jan. 20. Recent Soviet media commentaries have suggested the Kremlin hoped the new president's anti-communist views need not bar the way to an improvement in U.S.-Soviet relations.

Some Soviet observers have argued that the realities of international politics would, in their terms, temper Reagan's policies.

But Reagan's remarks, following only a day after Haig, had accused Moscow of promoting international terrorism, will clearly put considerable strain on relations between Washington and Moscow.

Pakistan to study French proposal

ISLAMABAD, Jan. 31 (Agencies) — Pakistani President Muhammad Zia-ul-Haq has said that Pakistan will study the French proposal for an international conference to end foreign intervention in Afghanistan.

When asked Friday if the proposal on Jan. 27 by French President Valery Giscard d'Estaing threatened to undercut decisions taken on Afghanistan at the just-concluded Islamic summit conference, General Zia said: "Why should we read between the lines (of the proposal), and why should we take the negative aspect? Let us take the positive aspect on this."

The semi-official *Pakistan Times* had complained in an editorial datelined from the Islamic summit in Saudi Arabia that the French president had not consulted Pakistan and that Westerners might be trying to prolong the Afghan crisis to hinder the Soviet Union from intervening in Poland.

Gen. Zia commented at Rawalpindi airport on his return from the summit in Taif after a stop in Medina.

The Pakistani president said United Nations Secretary-General Kurt Waldheim's talks with summit leaders were very useful to resolve the Afghan problem on the basis of proposals that Pakistan has already announced.

Asked about India's efforts to settle the Afghan crisis, Gen. Zia said that India abstained at the United Nations from voting the resolutions on Afghanistan, so the newsman should draw his own conclusion.

Gen. Zia said the Islamic conference resolution on Afghanistan was "balanced" and did not antagonize the parties involved. There could not be a military solution, so a dialogue should be maintained to seek a political solution: If the Soviet Union had a proposal to make, it would be welcome.

Meanwhile, Secretary-General Kurt Waldheim, who also attended the Islamic summit dissociated himself Friday from this conference's call for the "freezing" of Israel's membership in the United Nations.

A statement issued here on Waldheim's behalf said the Islamic proposal for Israel's suspension from the world body "was not raised with the secretary-general by any participant" at the summit.

The statement added that Waldheim "as always supported the principle of universality of membership in the United Nations so that all countries are able to present their viewpoint at the United Nations, whose principal purpose is the peaceful solution of international disputes."



King urges Reagan to play major role

RIYADH, Jan. 31 (SPA) — King Khaled Saturday called on the new American administration to play a key role in combating Zionist aggression against the Arab and Islamic world.

The King's remarks were contained in a message to President Ronald Reagan who had sent a cable to King Khaled as president of the third Islamic summit conference held in Taif last week.

The U.S. can also eliminate the underlying causes of aggression and create proper climate for a just and comprehensive peaceful settlement in the area, restoring the rights of the oppressed, King Khaled told President Ronald Reagan.

The King reminded Reagan that conditions for a just peace in the Middle East are withdrawal from the occupied Arab territories — foremost among which is Jerusalem — and recognition of the inalienable national rights of the Palestinian people in Palestine, including their right to return to their homes and determine their own future.

Palestinians, the King said, should enjoy all other rights provided for in U.N. General Assembly resolutions which, among other things, recognize the Palestine Liberation Organization as the sole, legitimate representative of the Palestinian people.

Egypt to protest new settlements

CAIRO, Jan. 31 (R) — Egypt is to protest against Israel's decision to build new settlements in the Jordan West Bank and Gaza, the semi-official newspaper *Al Aqram* reported Saturday. The newspaper said Israel's ambassador to Cairo Elisha Ben Hillel would be handed a protest note by the foreign ministry. It did not say when the ambassador would be summoned. Egyptian foreign minis-

try officials were not immediately available for comment.

Israeli Prime Minister Menahem Begin had promised a group of settlers last Wednesday that the government would begin building a Jewish town at Givon, in the occupied West Bank, within three months. The Israeli government also plans to build 10 new settlements in the occupied areas.

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istribution committee disbanded**ement crisis over, officials report**

By a Staff Writer

DDAH, Jan. 31 — The Commerce Ministry has dissolved Riyadh's Cement Distribution Committee because the cement it is now over and supply matches the demand, Arab News learned Saturday. Disbursal action at present will be handled by Al-Yamama Cement Company directly, a minister of spokesman pointed out.

Measurements of production and possibilities should be given to people building

their own houses to live in. Any surplus would go to cement processing industries. The remainder would be sold to contractors according to quota system, the spokesman said. He called on prospective buyers to apply directly to Al-Yamama Co.

The Middle East's largest integrated cement factory being built in Saudi Arabia — the Saudi-Bahraini Cement Company — began large-scale production this month. It expects to begin full production by July.

The cement plant, built in the desert has its own power plant, quarries, a housing estate for more than 1,000 people and a 21-mile natural gas pipeline linking up with the Arabian American Oil Company (Aramco). The company also has its own heavy transport.

Output will be consumed in Saudi Arabia and Bahrain, although the company has the option to sell to third countries if necessary.

The raw materials come mostly from Saudi Arabia, including limestone and clay from the company's quarries and gypsum from

Qair in the Kingdom, iron ore and bauxite are imported.

Saudi-Bahraini Cement Company was

sanctioned by Royal Decree No. M/36 dated

28/9/1400H, corresponding to Aug. 9, 1980,

with a capital of SR1.2 billion comprising 12

million shares with a par value of SR100

each. Fifty per cent of the shares are owned

by shareholders of Saudi Cement Company,

offered to each shareholder on the basis of his

shareholding in the company, 15 per cent

belong to the Gulf Enterprises Company of

Bahrain, and the remaining 35 per cent con-

sisting of 4.2 million shares, was offered for

subscription to the Saudi public as of October

25, 1980.

Salah Taha Saber, general manager of the

Arab Cement Company, predicted last June

that cement production in the Kingdom will

rise to ten million tons a year. He said that the

company already had started building a

cement plant in Rabigh, north of Jeddah,

with a capacity of 4,500 tons a day in addition

to the 2,000 tons a day produced by the

cement plant in Jeddah and the 100-ton

produced by the Medina plant. The

SR700,000 plant together with the produc-

tion of the Jeddah plant are to meet the

demand in Jeddah and surrounding areas.

Although civil defense officials are well

aware of violations, they keep stressing

the need for abidance by instructions

while the benzene stations listen and take

it easy. Not only this, some stations even

act contrary to civil defense instructions

expose the public security's and the secu-

rity of their own stations to greater danger.

Except the sign of 'No Smoking' and that

too sometimes written on a drum with red

chalk, you don't find any other instruc-

tions being followed at these stations.

The stations present a shameful

appearance and project a bad image of the

country and the concerned department

itself. We urge the officials to visit these

stations and see for themselves the condition

of their ceilings and floors. They

would laugh at the sight of the pumping

machines and the "elegance" of people

working there. Again, they may not find a

single word from their instructions

appearing anywhere at the stations.

If the capital's traffic department can

find itself compelled to create a "room"

for adolescent and foolhardy drivers, its

civil defense officials must also find a place

to bury these stations and to close the road

leading to them. In this way alone, would

they respect the instructions and give due

regard to the country's reputation.

COMMENTBy Abdul Rahman Sead Al-Samari
Al Jazirah

There are some petrol-filling stations which do not care to enforce a single sentence from civil defense instructions. The civil defense department itself looks with the eyes of a spectator at the neglect of its instructions not only by benzene stations but also by others, such as the cooking-gas shops and some warehouses situated in the midst of residential areas.

Although civil defense officials are well aware of violations, they keep stressing the need for abidance by instructions while the benzene stations listen and take it easy. Not only this, some stations even act contrary to civil defense instructions expose the public security's and the security of their own stations to greater danger. Except the sign of 'No Smoking' and that too sometimes written on a drum with red

chalk, you don't find any other instructions being followed at these stations.

The stations present a shameful appearance and project a bad image of the country and the concerned department itself. We urge the officials to visit these stations and see for themselves the condition of their ceilings and floors. They would laugh at the sight of the pumping machines and the "elegance" of people working there. Again, they may not find a single word from their instructions appearing anywhere at the stations.

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Kuwait ruler begins visit to N. Yemen

Trip aims to hasten Sanaa-Aden unity

BAHRAIN, Jan. 31 (R) — The Ruler of Kuwait Sheikh Jaber Al-Ahmad Al-Sabah arrived in Sanaa Saturday at the start of a visit to both North and South Yemen, the official Kuwait News Agency reported. Kuwaiti government sources said the visits to Sanaa and Aden were aimed at speeding up moves to unite the two Yemens, agreed after Kuwaiti mediation ended a border war in 1979, and at consulting the two countries on plans for more cooperation between Gulf states.

The unity plan has so far made little visible progress. Kuwait gives substantial aid to both Yemens.

A Kuwaiti-sponsored program for more joint economic, social and military action by Gulf states will be discussed in Saudi Arabia Feb. 4 by foreign ministers of at least six countries.



Sheikh Jaber Al-Sabah

North and South Yemen are not expected to attend but Sheikh Jaber will consult them about the plans, the sources said.

Sheikh Jaber was accompanied by Foreign Minister Sheikh Sabah al Ahmad al Sabah, Finance Minister Abdul Rahman al Attiki, and Minister of State for the Cabinet Abdul Aziz Hussein.

Libyan troops said chasing Chadian rebels into Sudan

KHARTOUM, Jan. 31 (AP) — Libyan troops have begun pursuing rebels from Chad into Sudan, raising fears of possible border clashes with Sudan, well-informed diplomatic sources reported Friday. They said two such incidents occurred this week along the poorly defined 1,112-kms border between Sudan and Chad in central Africa. The Western sources, who had returned to Khartoum from the frontier area, said the Libyan incursions were brief and the units withdrew without engaging Sudanese forces.

"The incidents may be minor at this stage, but they must be seen in the larger context of putting the West against the Soviet Union through their respective allies," a Western analyst said. "The Soviets, through their Libyan connection, mean to destabilize and then take over moderate regimes in the area."

That view is held by the Sudan, the United States, France, Egypt and a pro-Soviet Libyan forces in Chad. The Libyans earlier this month helped end a civil war in Chad by backing the forces of President Goukouni Oueddei and defeating his main rival former Defense Minister Hissen Habre.

Libyan leader Col. Muammar Qaddafi then announced Libya and Chad had agreed to "full unity."

France reaffirmed its position again Friday during a meeting between its Minister of Defense Robert Galley and Sudanese President Jafar Numeiri. "We cannot accept Libya's presence in Chad," Galley told Numeiri, informed sources said. They quoted him as saying, "Short of warfare, we will oppose it by all means at our disposal."

France has sent military reinforcements to its former colony, the Central African Republic.

U.S. ponders military command for M.E., Gulf

By Bob Lebling
Washington Bureau

WASHINGTON, Jan. 31 — The Pentagon is giving serious thought to the creation of a new U.S. military command for the Middle East and the Arabian Gulf, according to Defense Secretary Caspar Weinberger. The setting up of a separate command for this strategically vital region would be designed to eliminate conflicts between the two existing commands that now share responsibility for defense of the Gulf, the European Command and the Pacific Command.

In response to written questions from Senator Carl Levin of the Armed Services Committee, the defense secretary said the conflict of a new command for the region was "most interesting." Weinberger said "It is my intent to review the command structure in that part of the world and make whatever changes are required. The need for a Middle East/Gulf command will be carefully considered."

The secretary declined to predict when a decision might be reached, but he said he would address the matter on "a priority basis" and would make his recommendation "as soon as possible."

Weinberger stressed the need for close

Reagan hopes to meet Sadat soon

WASHINGTON, Jan. 31 (AP) — President Ronald Reagan has said he was looking forward to an early meeting with Egyptian president Anwar Sadat. Reagan's remarks came in a meeting Friday with 15 U.S. businessmen, after one of them said he had

met recently with Sadat and that Sadat hoped for an "early opportunity" to meet with Reagan.

"I'm looking forward to that, too," Reagan said. "I have great admiration for him. He's a great statesman."

Osman, who is related by marriage to President Anwar Sadat — his eldest son

Mahmoud is married to a daughter of the president — becomes the seventh deputy

CAIRO, Jan. 31 (R) — Osman Ahmad Osman, a well-known businessman and a former minister of reconstruction, has been brought back into the Egyptian cabinet with the title of deputy prime minister, official sources said.

Osman, who is related by marriage to President Anwar Sadat — his eldest son Mahmoud is married to a daughter of the president — becomes the seventh deputy

BRIEFS

CAIRO, (R) — Egypt's leftist Unionist Progressive Party (UPP) said Saturday writer Salah Issa and one of its members had been arrested while distributing pamphlets calling for a boycott of Israel's stand at the Cairo International Book Fair. There has been no official confirmation of the arrests. But the UPP said in a statement that the two men arrested Friday were among writers, journalists and university professors who distributed pamphlets and Palestinian flags at the fair.

After the physical and psychological strain, their resistance is minimal. We have to examine them, administer vaccines, nourishing food, and settle them as best we can," said a government official. "The cattle are a problem too. They have to be vaccinated lest they contaminate ours."

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DACCA, (AFP) — Thirty-five prisoners and 132 wardens were wounded, three seriously, when two groups of prisoners clashed in a prison in Bonna district, 168 kilometers northwest of Dacca Friday, newspapers reported.

DUBAI, (AFP) — Pakistani Foreign Trade Minister Hamid Habib arrived here Saturday at the head of an economic delegation which is due to spend several days in the United Arab Emirates, the Emirates' News Agency reported. Habib will open a display of Pakistani goods in Dubai Sunday.



Caspar Weinberger

cooperation with the states of the region and said he favored a role in that area for "several of our key allies" — an apparent reference to members of the NATO alliance.

The secretary said he believed the U.S. must maintain "a major naval presence" in the region, but he was not prepared to state where additional U.S. forces should be stationed or located.

"I would hope that we can work out arrangements among our friends and allies to increase the security of the region and the individual states," Weinberger said.

In response to another question from Senator Levin, the secretary said he would be giving "top priority" consideration to Saudi Arabia's request for F-15 jet fighter aircrafts "as soon as possible."

Weinberger stressed the need for close

Jenkins urges active role for Europe in Mideast peace

Washington Bureau

WASHINGTON, Jan. 31 — Roy Jenkins, the outgoing president of the Commission of the European Communities, has recommended that Western Europe play a more active role in efforts to secure a comprehensive peace in the Middle East. Speaking at Georgetown University, Jenkins said "we could not accept that Europe, with its enormous interest in the Middle East and its stability, could or should be excluded from helping in the search for a long-term and comprehensive settlement."

Jenkins was addressing an audience Jan. 22 at Georgetown's Institute for the Study of Diplomacy.

The British diplomat noted the European community's relationship with the oil-producing countries. "Again, I must remind you of the community's vulnerability," Jenkins explained. "Although we are less dependent than Japan on Middle Eastern and North African oil, we still draw about 40 per cent of all our primary energy supplies directly from those areas."

Jenkins compared the European community's consumption of oil with that of the United States. "By comparison the United States draws less than 9 per cent. The community consumes 2.1 tons of oil per head a year, of which 86 per cent comes from oil imports, while the United States consumes 3.9 tons of oil per head a year of which 50 per cent comes from imports."

Speaking to many active and retired U.S. diplomats, Jenkins said: "It is not therefore surprising that the member states of the (European) community, working together through the process of political cooperation should have sought to develop a correspondingly important political relationship in the Middle East. There is much common ground between the process launched at Camp David and the ideas set out in the Venice Declaration last June of the community member states."

"Both (declarations) look for a comprehensive settlement, and both call for recognition of the right of existence within secure borders of all in the area, and of the



legitimate rights of the Palestinian people."

"... We went a little further than was possible at Camp David. We spoke of borders being guaranteed, and of the readiness of the member states of the community to participate in such guarantees. We spoke of the need for involvement of all the parties, including the Palestine Liberation Organization. We drew attention to the problem of Jerusalem. Since then there has been a follow-up in the form of talks with all countries in the area, and these are continuing."

4 Mirage jets said heading for Baghdad

NICOCIA, Jan. 31 (Agencies) — Four Mirage fighter bombers touched down at Larnaca airport in South eastern Cyprus Saturday for refueling before heading to Baghdad, reliable sources said. "Fight security was in force at the airport and journalists and cameramen were kept away during the short stopover."

However, the Cyprus government broke a two-day security silence Saturday to deny reports that the Mirage jets bound for Iraq were refueling at Larnaca airport.

An official announcement said the Mirage jets at Larnaca were bound for Jordan with the permission of the Cyprus government.

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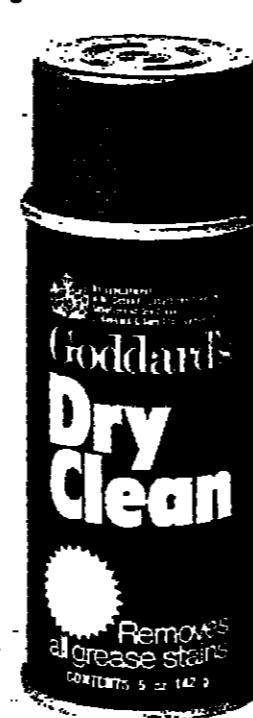
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The evolution of clocks and gadgets

By Madeline Jacobs

WASHINGTON (SNS) — Twenty-three hundred years ago, guests invited to the homes of Egyptian royalty might have spent the evening quaffing tea served from a golden goblet by an ingenious mechanical figure of Bacchus. Today's well-heeled counterparts might entertain their guests with elaborate electronic games and gadgetry, not to mention home video centers.

From the affluent ancients to the present-day prosperous, the wealthy classes throughout history have shared the pursuit of pleasure. In their quest, they have generously applied time, talent, and technology to create devices to amuse and amaze.

But neither the ancients nor the modern-day rich could begin to compete with the 16th-century European princes and potentates who spared no expense to hire the best scientific minds and craftsmen to invent and build objects of wonder, pomp, and play.

Especially popular in the courts of German Renaissance nobility were exquisitely crafted automata — self-moving and self-propelled human figures, animals and vehicles. These distant ancestors of today's robots greeted visiting dignitaries at state receptions, played a role in games at boisterous revelries and diverted guests at ceremonies and festivities.

Picture the wedding celebration of one nobleman, Johann Wilhelm of Jülich, whose marriage was recorded for posterity by an artist of the time. A 1587 woodcut depicts a sumptuous banquet table on which mechanical horses, elephants, birds, camels, lions, bears, unicorns and a whole menagerie of real and mythical creatures strut, sway, parade and prance among platters laden with food. In fact, the table is so cluttered with the fantastic devices that guests at Wilhelm's marriage feast must have had great difficulty finding



BANQUET: A 1587 illustration depicts a wedding banquet table on which elaborate mechanical creatures parade among platters of food.

Recording the dead

By Juan Vasquez

EL SALVADOR (LAT) — Early every morning, when the military patrols are still busy frisking people at random on the street, two men board a nondescript gray van to begin a grim search that nearly always yields results.

The driver knows all the right places: Balboa Park, on San Salvador city's outskirts — a huge pit that serves as a garbage dump in a slum area — an isolated parking spot, once frequented by lovers, atop a sheer cliff overlooking a valley.

The passenger, Mario, armed with a 35-millimeter camera, is nervous. Although he has been on the job for three months, he remains deeply affected by the brutal reality of death.

On some mornings, Mario and his driver companion have been so successful in their search that he has become ill, but that rarely happens anymore. The sight of dead bodies — often beaten and tortured — has become so common that he has learned to control his nausea.

Mario — not his real name — and the driver work for the Human Rights Commission of El Salvador. By the agency's count, 13,194 civilians were killed in 1980 in the bloody conflict that is punishing this tiny nation. (Other estimates are that more than 9,000 died in El Salvador during the year.) The commission — its leaders abducted and murdered, its offices dynamited, its existence threatened by a hostile government — has been reduced largely to the task of identifying dead bodies.

But occasionally it will issue a news release. A few weeks ago, for example, as the nation braced for a guerrilla offensive and a threatened general strike, the commission criticized the army for arresting employees of various banks.

It charged that the government was arresting the leaders of bank labor unions in an effort to intimidate the other workers and undermine the strike.

It also complained that its telephones had been cut off and that appeals to restore service were ignored. In reply, the army issued a statement accusing the commission of "making common cause with the enemy" — a grave charge in present-day El Salvador — and sent soldiers to surround the commission's offices.

"It's a kind of psychological warfare," said Gonzalo, the man who runs the commission's office. He asked that his full name not be used. "The next step is to come in here and ransack the place or make it stop functioning somehow."

None of the employees has a title. That's the way it has been since last October, when Maria Magdalena Henriquez, the chief spokesman, and Ramon Valladares Perez, the chief administrator, were kidnapped and murdered.

"It's getting very difficult to get anyone involved in our work," said Gonzalo in what must have been an understatement. On two occasions last year, according to Gonzalo, dynamite blasts were set off just outside the commission's offices.

"In none of these cases have we had any cooperation from the government," Gonzalo said. "The same holds true for the cases we

involved anything to eat."

These devices, like others created during the era, not only moved; some played music or re-created animal noises. And because their motions were programmed by clockworks hidden in their innards, many automata could even tell guests when it was time to go home. Indeed, automata and clocks were integrated from the earliest times.

Craftsmen and clockmakers constructed hundreds of automata for the ruling classes during this period. Because they were made of sturdy materials — silver, bronze, copper, iron, brass and even gold — many of the devices have survived in private collections and museums throughout the world.

More than 40 of these works built between 1550 and 1650 are now in display, along with 80 other German Renaissance master clockworks and timepieces, at the Smithsonian's Museum of American History in Washington. The exhibit, "The Clockwork Universe," sponsored in collaboration with the Bayerisches National museum in Munich, offers a rare glimpse of a century when the modern world was born.

"We look at these objects today as trivial playthings," Dr. Otto Mayr, curator of mechanisms at the Museum and co-organizer of the exhibit, says. "But we tend to forget that they were based on a great technological achievement — the development of the mechanical clock."

"Moreover, the automata and clockworks are reflections of the thoughts, feelings and hopes of the thinkers, the nobility and the ordinary people of the period. Rarely in history has a machine so directly expressed and, in turn, affected the intellectual climate of its time."

In Mayr's view, clockworks represented "the sharpest conceivable contrast to the prevailing reality of the times, which were

marked by the collapsing political and social order of the Middle Ages, by wars of religion arising out of the reformation and by the multitude of revolutionary scientific new ideas and the social unrest which they unleashed."

The mechanical clock was invented a little before 1300 in Western Europe. By whom and precisely where are unknown. Prior to its invention, people had relied on the sun and its movements to tell time, but within a century of its creation, nearly every town of consequence boasted a mechanical clock in its town hall or church tower.

At the heart of the clock were a series of mechanisms which when driven by a falling weight, produced a steady rotary motion that was employed for time measurement. An additional device announced the hours by a pre-programmed number of strikes on a bell. During the next 200 years, other refinements, such as the coiled spring were added to clockworks to improve their accuracy and portability.

"The design elements solved complex problems with a mechanical sophistication that has yet to be adequately appreciated," Mayr says of the mechanical clock. "Its parts had an order, a rationality and a predictability lacking in the real world. The clockworks and automata had their own unchanging plan of action — a concept of order that the people admired during this uncertain era."

At first, automata took the form of simple "jacks" — hammers in human shape that struck bells to tell time. Later, as the nobility hired clockmakers and scientists in their courts, automata became complex simulations of animals and humans.

Above all, automata were for the amusement of the wealthy. To this end, they ranged from the sublime to the ridiculous, Mayr says, though they all shared the age-old ambition of creating lifelike animation. Examples of both extremes are displayed in the exhibit.

At one end are timepieces and automata which must have served to heighten religious feeling. Most automata did not aspire to such lofty heights, however.

For sheer frivolity, automata were devised as drinking vessels and games. In one jewel-encrusted gold masterpiece combining elements of both, Diana is seated on a stag, whose head lifts off to reveal a drinking vessel. Mayr surmises that the entire assembly,



AUTOMATA: In the 1500s and 1600s, automata — self-moving human figures, animals and vehicles, powered by mechanical clockworks — were popular entertainments in the courts of German nobility. The above clock was an early form with carillon made around 1583. The hammer strikes the bell to tell the time.

propelled by a hidden clockwork in the base, rolled across a banquet table, coming to rest in front of a lucky nobleman, who by custom had to drain the vessel. After several hours of such activity, a stately dinner was no doubt transformed into a raucous revelry.

"While many of these automata seem amusing to us today," Mayr says, "the people of the time took them all very seriously. Automata and clockworks were attempts to think mechanistically, and eventually automata were used as a means to explain life mechanically."

Baroque music fills the Jeddah night

By Heather Winlow

JEDDAH — The Continental School was the scene of a recital given on Wednesday night by four musicians who specialize in music of the baroque period: Monica Huggett playing violin, Sophia McKenna playing the oboe, Primrose and Christopher Armander playing the cello and harpsichord respectively.

Monica and Sophia both play for Apollo's Banquet, a group of musicians who specialize in music of the baroque period. All these musicians play on authentic period instruments or exact modern reproductions. Primrose and Christopher Armander are both accomplished musicians. Primrose studies the cello at the Royal College of Music in London and privately in Paris. She also ran a

modern violin and her baroque period violin show us the differences between the two instruments. On a baroque-period violin the neck is shorter and wider, coming out from the body in a straight line unlike a modern day violin where the neck is angled to the right.

This creates a difference in the tensions of the strings on the two instruments. The strings of a baroque violin are of a lighter tension and do not have to be struck quite so hard to make them speak correctly. Also the baroque violin has no neck rest, the musician simply uses a cloth. Monica said later that a folk fiddler's style is closer to a style of playing than a 20 century classic violin player.

Sophia who plays the oboe explained how her instrument differs from the modern day

"Baroque music, we were told, is rather like jazz. It has a simple structure but is very decorated."

music group in Kuwait which became very well known by the local community.

The recital was introduced by Christopher Armander who explained how flower and ornamental baroque music is; for instance a modern music sheet contains many sores, but a baroque music sheet contains very few. This is because the musicians are expected to interpret the music themselves. Baroque music, we were told, is rather like jazz. It has a simple structure but is very decorated.

Another important factor is one mentioned early; all these musicians play period instruments. Because of the structural differences between a modern day and 18th century instrument they produce a different sound.

Often baroque music is played on modern day instrument, but the music sounds contrived because the sounds being played are not the sounds the composer had in his head when he wrote the music.

Monica Huggett demonstrating with a

version. It only has two keys — C and E flat — and no octaves. A rather intriguing fact came to light when she said why the keys are repeated on both sides of the instrument. In earlier days it had not been established whether the left or right hand should be placed at the top of the instrument, it was simply a matter of personal taste.

The recital began with a trio sonata in G minor composed by Telemann, a prolific composer from North Germany and continued with Geminiani sonata in E minor for oboe and continuo. A particular beautiful piece by Bach, Gigue and Chaconne from Partita No 2 in D minor for solo violin was played for us by Monica and was received very enthusiastically by the audience. After the interval Biber's sonata No 3 in F major for violin and continuo followed by Handel's trio sonata in C minor were played. The audience was so impressed with the playing that an encore was in order. About 100 people attended the recital which was arranged by The Jeddah Concert Committee.

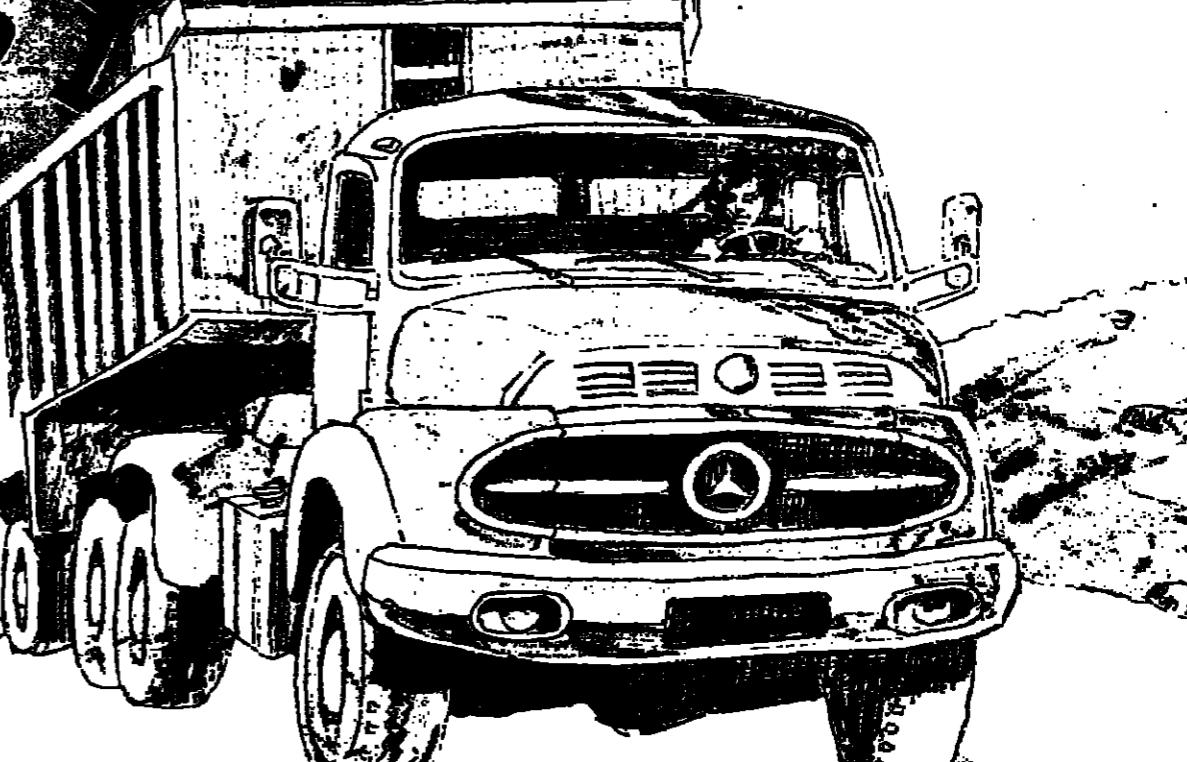


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Saudi Arabian Press Review

Newspapers Saturday led with King Khaled's return to Riyadh after the conclusion of the third Islamic summit conference in Taif, as well as the departure of some heads of Islamic delegations to their homes. In a lead story, *Al Biled* said the summit resolutions reaffirm the beginning of a new Islamic force, while *Oktar* carried as its lead story OPEC's discussion of a \$1 billion project to give loans to emerging nations.

Newspapers frontpaged a Palestinian commando attack on Israeli settlements all along its borders with Lebanon. *Al Biled* gave front-page coverage to Riyadh Governor Prince Salman's statement that "our friendship with West Germany is far more important than a commercial arms deal", while *Oktar* and *Al Jazirah* highlighted West German Chancellor Helmut Schmidt's statement before the parliament (Bundestag) that Saudi Arabia is the main factor of stability in the Gulf region and "we have not been pressured on the arms' request." In a page one story, *Al Jazirah* reported that U.S. Secretary of State Alexander Haig would pay a visit to the Middle East in early summer. The visit of Dutch Foreign Minister Christopher Van Der Klaauw to Saudi Arabia figured prominently as a front-page story in most newspapers.

Newspaper editorials welcomed the resolutions of the summit conference which, they said, realized the aspirations of Muslims and laid down solutions to problems regarding Islamic solidarity. *Al Madina* noted that the Mecca Declaration reaffirms the commitment of Muslim leaders to the principles and values of Islam for the safeguard of a bright future for the Islamic nation. In the paper's view, the Declaration can provide a base for a unified Islamic constitution. For every Islamic issue, it said, the Mecca Declaration provides a framework for discussion and a collective Islamic verdict on it. The paper went on to say that the Mecca Declaration is the strongest document on which the Islamic nation has agreed unanimously since the time of the Caliphate.

In an editorial, *Oktar* observed that the Islamic nation now stands on a stage of a practical beginning on the basis of what Muslim leaders have agreed upon. It said that amidst the fresh cold war between the two superpowers, the principle of neutrality and cooperation stressed by Muslim leaders assumes still greater significance. The paper urged the nation to strive to remain aloof from superpower conflicts in order to enable itself to muster international support for its just causes. Issues like Palestine and Afghanistan necessitate the intensification of efforts on the grounds suggested by Muslim leaders for the realization of the cherished objectives, the paper added.

Al Yam said with a note of satisfaction that the Mecca summit successfully realized the nation's aspirations, adding that the Muslim leaders met their responsibility toward their faith, their Creator and their people. They have reinforced the edifice of Islamic solidarity which provides the ideal framework to find a solution to the problems of the nation, it said. The paper added that, after the summit's success, it becomes the responsibility of the various committees to continue to push forward the implementation of the resolutions.

Discussing the same subject, *Al Biled* noted that the summit transformed the dreams of Islamic unity into reality, so that work should get started for the welfare of Islam and universal peace. While the summit remained steadfast on its support for Arab and Islamic rights in occupied Palestine, it also voiced strong support for the Muslim brothers of Afghanistan enabling them to restore their sovereign rights, the paper added.

REPLY TO REAGAN
King Khaled summed up the views of the entire Islamic world in his reply to President Reagan's message on the occasion of the third Islamic summit conference. The King gave the Reagan administration and the American people some thought as to what America can do to ensure peace in the Middle East and amity with Muslims. He let Reagan know directly and precisely that there will be very little peace as long as the Zionists continue to occupy one of Islam's holiest places, Jerusalem, and the territories of three Arab states in Syria, Jordan and Lebanon. This has been made possible through massive and indiscriminate American political, economic and military support which has made a peaceful and just solution of the conflict in the region practically impossible.

King Khaled reaffirmed the essence of this kind of solution by demanding full Israeli withdrawal from all occupied territories and the creation of a Palestinian independent state in Palestine. But as long as successive American administrations refuse even to recognize the existence of the Palestine Liberation Organization or to deal with it about a possible settlement, there will be little that the U.S. can contribute to a just and peaceful solution of the Middle East problem. Nor will the U.S. make much headway with the rest of the Islamic world as long as it maintains this kind of commitment to Israel despite the arrogance and intransigence of the Zionist state.

The U.S. government rightly has condemned the Soviet invasion and occupation of Afghanistan and has taken steps to penalize the Soviet Union for such an act of naked aggression. It will do the same, and perhaps take more stringent action, if Poland is invaded. But America has done nothing of the sort in the face of Israeli occupation. Making good friends with the Islamic world as Reagan wants will remain a remote and elusive goal unless drastic action is taken to rectify the injustice that has been done to it.

Letters to the editor

Dear Sir:
My son recently started distributing your newspaper in the Aramco Nejma Camp located at Ras Tanura. I am writing this letter to make a number of comments and suggestions that I think would help our newspaper. These suggestions particularly apply to my community which is predominantly American; however, many of them would apply equally as well to any English speaking audience living in this country.

1. Your coverage of events in the Middle East is excellent. However, I believe that at least one front page story should originate from outside this area and be relatively unrelated to Middle Eastern problems. I think this would give your paper a more international flavor. In any event the reader should not have to wait for the fourth or fifth page before reaching a non-Middle East story as is often the case.

2. Your coverage of In-Kingdom events is also excellent. Any story affecting work rules, emigration, etc. has special importance to your mostly non-Arab audience and should be emphasized accordingly.

3. Your comics and amusement section is also excellent. However, I cannot understand why the television listing for Dhahran is not current.

4. Your sports section is completely inadequate for the people in American community. Even my British friends say that few of them follow cricket, but you have recently devoted most of this section to that sport while almost completely ignoring U.S. college football bowl games, U.S. professional football play-off games, and U.S. professional basketball. Adequate coverage of U.S. sports is essential if you want to develop an American audience.

5. Why not have a classified add section? This could give you added advertising revenue while at the same time providing a service to your customers that would increase circulation.

6. Your coverage of U.S. and U.K. events that are unrelated to the Middle East is poor at best. As you are an English speaking daily, and these are the two largest English speaking groups living in the Kingdom, I feel you should devote more space to their local events that would be of interest to them.

7. Your coverage of financial events is almost non-existent. Why not show the closing prices on the New York Stock Exchange? Or if not the whole

listing, then just those that reach a given trading volume. There is also a need for a summary of world-wide business events.

8. Advertising. There is too much of it. Practically half of each page is advertising!

I enjoy reading your newspaper and my son is gaining good experience (as well as a good allowance) by delivering it.

I have made the above comments and suggestions in good faith, and I hope you take the time to consider them.

William A. Reutel
Co Aramco,
Box 1078 - RT,
Dhahran

Editor's note: We appreciate your comments and suggestions. For the points mentioned in your letter, we would like to draw your attention to the following:

Arab News has two pages daily for international news and we run the most important and updated stories on the front page, and although we also run important stories from around the world, our emphasis always will be on local events — especially those affecting non-Arab readers.

The Aramco television schedule is what we get from the Dhahran station. In addition, our sports pages depend on what we receive from the wire services. However, we are to widen our coverage through special reports, and this is what you will see in **Arab News**.

As far as classified advertisements, there would have to be an evaluation on the potential of that market. Regarding your question number six, we do run U.S. and U.K. local events from time to time. Publishing these pieces depends on the flow of local news from the international agencies and the space available for them.

Our commercial page has stopped temporarily for technical reasons beyond our control. And last, but not least, advertisements are the cornerstone of funding for any newspaper, and they show the success of the publication.

Mr. Yusif Bush,
Jeddah.

Editor's Note: We do not publish letters without addresses. Nevertheless, we disagree with you on your allegations.

arab news



Inflation is a deep-seated problem for U.S. economy

EDITOR'S NOTE: Following is an outlook of the U.S. economy which appeared last week in *International Finance*, a bi-weekly bulletin issued by the Chase Manhattan Bank

Last year was a time of extremes for the U.S. economy. A recession in the first half of the year was one of the sharpest of the past four decades — but it was also the shortest on record. The rate of price inflation was extremely high early in the year, abated for a few months, and then rebounded. Interest rates reached record-high levels, then receded sharply, and then established even higher new records. The unemployment rate rose by about two percentage points, to a peak of 7.8 percent, and then drifted a bit lower.

For 1980 as a whole, total real Gross National Product was down modestly, by about 0.2 percent. But some industries suffered substantially. Sales of

new automobiles fell by 15 percent, to about nine million units. On balance, all of the declines came in domestic models; sales of small, fuel-efficient imported cars remained strong. Construction was started on only 1.3 million new housing units — about 25 percent less than in 1979, which was itself an unsatisfactory year for homebuilding. Industries that supply the automotive and construction industries have thus had extremely weak years.

The new year opens on a note of weakness, as did 1980. Consumer spending leveled off late last year, in real terms, under pressure of rapid inflation and sky-high interest rates. Residential real estate activity began declining again, as a consequence of high interest rates. And with social security taxes having risen on Jan. 1, it seems to many experts that another period of economic decline may be at hand.

However, most expect it to be both brief and mild. Lower interest rates, a somewhat lower inflation rate, and an expected cut in both individual income taxes and business taxes could bring a broad-based and more sustained advance in economic activity by the beginning of the summer. On balance, average real GNP in 1981 will be up little, if any, from 1980, although a gain of about 1½ percent is expected on a fourth-quarter to fourth-quarter basis.

Inflation continues to be a deep-seated and persistent problem for the U.S. economy. Some elements in recent rapid price increases, to be sure, may be transitory. The process of decontrolling the prices of domestic crude oil, for example, is giving the United States an even faster advance in the cost of petroleum-based products than that experienced elsewhere in the world. (The decontrol process is to be completed by this October.) And disappointing crops in 1980 have stimulated consumer food prices; these will rise by 15 percent-20 percent between mid-1980 and mid-1981. Better crops this year, if they materialize, could bring some relief to food prices later in 1981. In consequence, the rate of price inflation may improve as the year passes.

But beneath such special factors, the United States has an underlying inflation rate of 9-10 percent as measured by rising unit labor costs in the face of poor productivity. The new administration and Congress may well feel that the recent elections give them a mandate to deal more firmly with inflation. Policies to this end will include efforts to reduce the cost of government regulations, tax changes designed to stimulate saving and investment, and, most important of all, attempts to cut back the fast rise in non-defense federal spending and lending programs. Of these policy goals the most difficult to fulfill will be the reduction in non-defense spending. Many of the programs involved are designed to grow automatically at least as fast as inflation. And the beneficiaries of these programs have by now become accustomed to their benefits. Even if progress is made toward these objectives, however, no significant decline in the inflation rate is likely in 1981. Consumer prices are forecast to rise about 11 percent from fourth-quarter 1980 to fourth-quarter 1981, compared with 12 percent from 1979 to 1980.

Lower interest rates likely

Short-term interest rates are expected to fall in the first half of 1981 — although not as low as last fall. Better money demand as the economy recovers — and assuming the Federal Reserve holds to its money growth targets — rates should move considerably higher after midyear. The federal funds rate, for example, is likely to average 3-4 percent for 1981 as a whole, about the same as in 1980.

One of the central elements of the 1980 financial environment was the Federal Reserve's implementation of a policy of placing greater emphasis on achieving money growth objectives and less on stabilizing interest rates. Many observers have attributed to the Federal Reserve a desire to achieve almost complete control over the growth of the monetary aggregates. But so far, the Fed has not intended to do so. Indeed, there are currently a number of operating problems that virtually ensure that it cannot do so.

Despite the caveats, however, the outlook for money growth provides a perspective by which to assess at least the direction, if not the exact magnitude, of interest-rate moves in 1981. This approach may be illustrated by using M1-B as the relevant monetary aggregate. In recent years, the trend growth rate of money turnover (velocity) has approximated 3½ percent. The Federal Reserve's indicated maximum target for M1-B growth during 1980 is 6 percent. This suggests that nominal (current-dollar) GNP could advance by as much as 9½ percent (the product of money growth and turnover) without entailing above-target money growth and the attendant upward pressure on interest rates. This projection, however, is subject to considerable error from quarter to quarter.

The basic dilemma facing the Federal Reserve and other economic policymakers is that a 6 percent money growth maximum provides little room for real growth in 1981 as long as the underlying inflation rate is in the 9-10 percent range. With a weaker economy in the early part of the year, the money growth constraint should not be binding and interest rates are likely to fall. Nonetheless, during this period nominal GNP will be advancing at an annual rate approximating 8 percent and money growth will probably be well within the Fed's target range. Thus, any downward rate correction is expected to be moderate. This contrasts with the second quarter of 1980, when nominal GNP was flat and money growth fell below the Fed's target range, precipitating a sharp rate decline.

A second-half recovery, however, is likely to entail nominal GNP growth well above 10 percent, on an annual basis. This will place relatively pronounced pressures on the Federal Reserve's money growth targets.

Three additional elements have an important bearing on the money-growth and interest-rate outlook. First, the introduction of new transaction accounts on a nationwide basis (e.g., NOW accounts) will alter the growth path of such narrow aggregates as M1-B. Some redefinition of targets and changes in relative emphasis, such as between M1-B and M2, are thus likely. Second, the level of interest rates relative to inflation will affect the performance of the economy as well as expectations. In the closing months of 1980, interest rates were quite high relative to inflation. This drag on the economy will carry into first-quarter 1981 and probably re-emerge later in the year. Third, the prospect of financing a federal deficit of some \$50 billion casts further doubt on the likelihood of much relief from high interest rates.

Finally, the outlook for business financing in 1981 is for moderate increases in capital expenditures (as well as inventories) and sluggish growth of cash flow. The financing gap for nonfinancial corporations is thus projected to be slightly above that of 1980. Moreover, firms are expected to continue the buildup of short-term liquid assets that began in the third quarter of 1980. The volume of credit market financing in 1981 is therefore expected to be somewhat above 1980, contributing some pressure on interest rates.

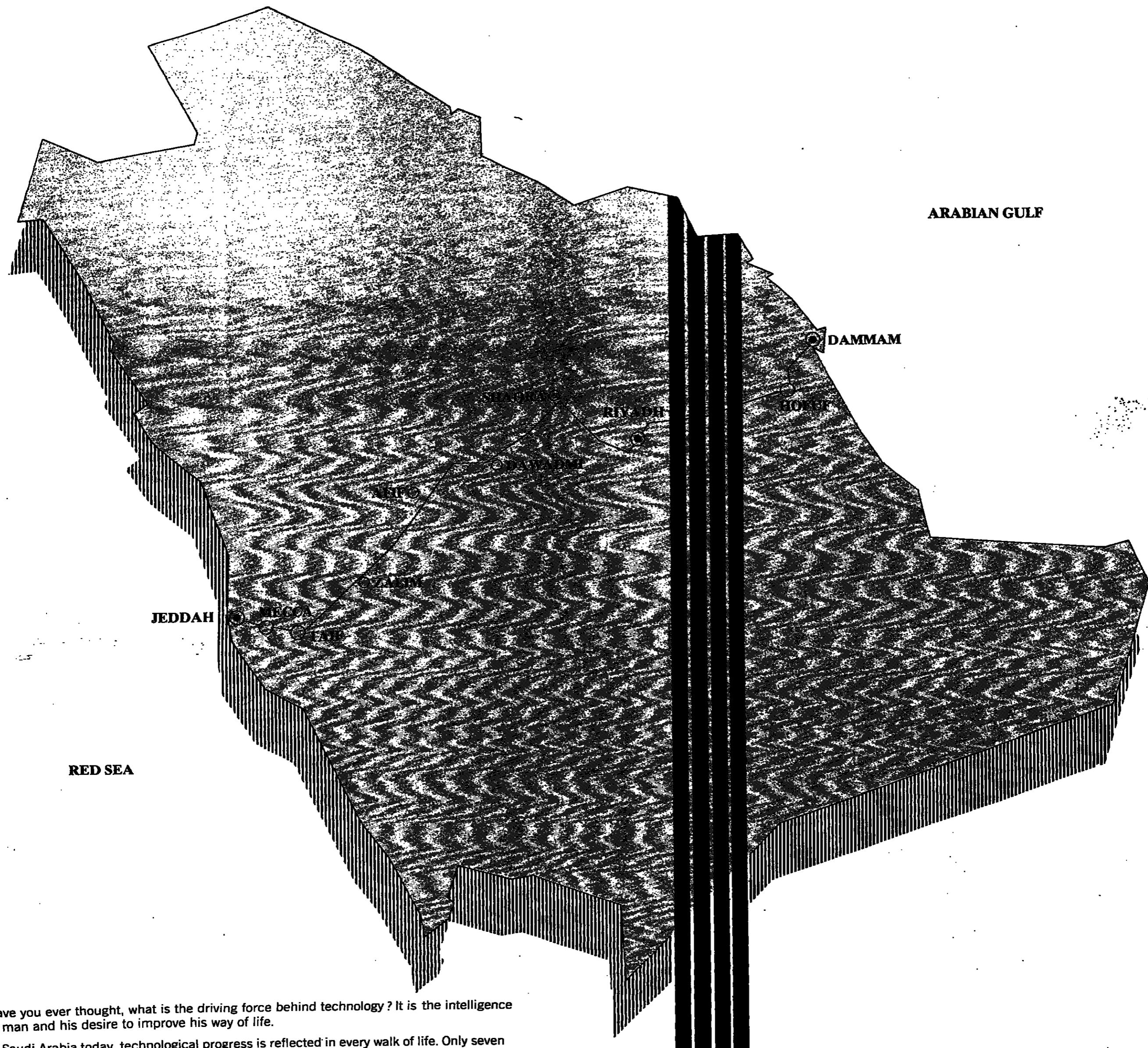
Last year was another banner year for U.S. exports. Following the 28 percent growth in exports during 1979, 1980 registered a strong increase of slightly less magnitude. Were it not for oil price hikes, the U.S. trade deficit would have narrowed dramatically, as the growth rate of non-oil imports was slower than the rate of inflation. But with oil prices for the fourth quarter of 1980 some 33 percent above fourth-quarter 1979 levels, the overall trade gap was narrowed by only some \$4.5 billion. This limited improvement, combined with the continued earnings growth in the services account was sufficient to give the United States its first current-account surplus in four years. The U.S. surplus was all the more notable as it was achieved at the same time that Japan, Germany, and other traditional-surplus countries sustained massive current-account deficits.

The U.S. current account may continue its long climb back to solid surplus this year, the result largely of a renewed U.S. recession. But OPEC pricing policies, the severity (and timing) of economic slowdown in Europe, weak demand for exports by the deficit-ridden non-oil developing nations, the possibility of renewed U.S. import demand, and a leveling-off of the services surplus could exert a strong negative impact in the second half of the year.

Total export growth for 1981 is projected to decline to between 9 percent and 15 percent. Agricultural exports are expected to provide momentum, but non-agricultural exports, which advanced sharply in 1980, are expected to lag in 1981. They will be hurt badly by the slowdown in foreign economic activity, which could be further exacerbated by greater oil shocks.

Import prospects continue to be heavily dependent on the uncertain oil price scenario. Total imports are forecast to expand by 14-15 percent largely as a result of anticipated oil price rises. U.S. oil import costs in 1981 are projected to exceed \$100 billion, up some

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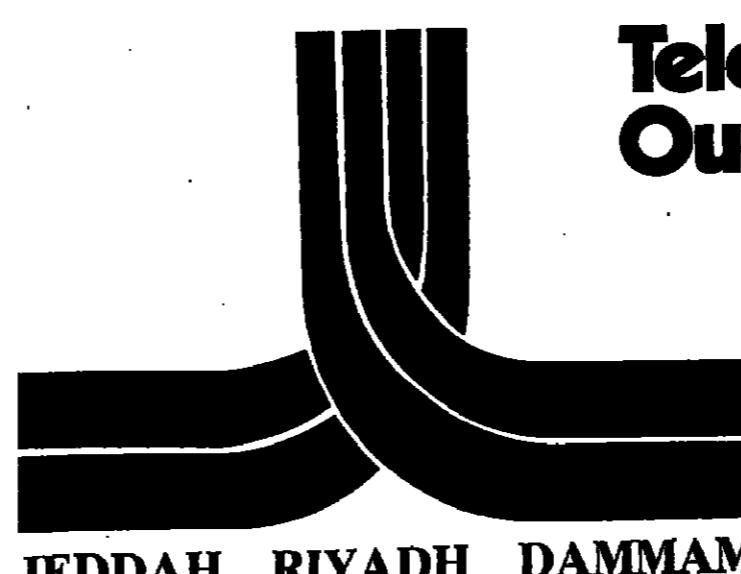
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Kampuchean issue

Peking rejects Indochina call

PEKING, Jan. 31 (Agencies) — China Saturday said a proposal by the foreign ministers of the three Indochinese countries for a regional conference was a Vietnamese ruse to divert its attention from its aggression against Kampuchea. The comment, published in the *People's Daily*, was drawn to the attention of foreign journalists by a foreign office spokesman as representing Peking's official reaction.

The idea of a regional conference with the five members of the Association of Southeast Asian Nations (ASEAN) was proposed Wednesday by the foreign ministers of Vietnam, Laos and the Vietnamese-backed Heng Samrin government in Kampuchea. They also proposed bilateral treaties between the three Indochinese countries and China and called for the resumption of stalled peace talks between Peking and Hanoi. The commentary did not mention the proposed treaties or the peace talks.

The commentary said the two-day meeting in Ho Chi Minh city, formerly Saigon, at which the proposal was made, had been "staged managed by Hanoi." It said the idea of a regional conference was intended to divert attention from the real reasons for the daily growing tension in southeast Asia, which it said were Hanoi's "regional hegemony and its aggression against Kampuchea".

The paper said the conference was also planned as a substitute for a proposed international conference on Kampuchea, called

for in United Nations resolutions and backed by the ASEAN nations — Thailand, Malaysia, Singapore, Indonesia and the Philippines. Such a conference was "obviously intended to inveigle ASEAN and other countries into recognizing an Indochina federation," the commentary said, adding this would mean "recognizing the Phnom Penh puppet regime shored up by Vietnamese bayonets." The commentary described Hanoi's statement that it would withdraw some troops from Kampuchea under certain conditions as "merely a ploy to cope with the pressure of world opinion."

Kampuchea's ousted Khmer Rouge regime also dismissed this week's conference of Indochinese foreign ministers in Ho Chi Minh City as a "diplomatic trick" by Hanoi. In its first reaction to the conference, the former Pol Pot government, which fled Phnom Penh after the Vietnamese military intervention in Kampuchea in January 1979, called the conference and unsuccessful attempt to mislead world opinion.

Khmer Rouge Radio monitored in Bangkok Saturday charged that the conference was called at a time when Hanoi was claiming there was no longer a Kampuchean problem. It mentioned support by Japan and Burma for ASEAN's proposal of an international conference, and condemned what it described as "many" Vietnamese attacks on Thailand across the Kampuchean border. The broadcast reiterated calls for the

withdrawal of Vietnamese troops from Kampuchean territory.

Chinese Premier Zhao Ziyang vowed in Bangkok Friday that China would "firmly stand on the side of Thailand in the face of foreign aggression threatening the southeast Asian country." Zhao's visit to Bangkok coincided with increased tension along the Thai-Kampuchean and Thai-Laoian borders and new charges by Thailand accusing Vietnam of border violations.

Zhao said the Chinese government wanted to work with southeast Asian countries to resolve the Kampuchean issue and backed calls for withdrawal of foreign forces from the country. Vietnamese forces invaded Kampuchea in late 1978 and have maintained effective control of many areas of the country. The Soviet Union has supported the Vietnamese move.

Thai Premier Prem Tinsulanonda, speaking at a banquet held in honor of the visiting Chinese premier, said that Thailand and its ASEAN colleagues were "still unanimous and persistent in the belief that there is only one possible solution to the Kampuchean problem, namely a political solution."

Meanwhile, Singapore has urged the United States to use a carrot-and-stick approach on Vietnam to get its forces out of Kampuchea. Deputy Prime Minister Srinathamby Rajaratnam conferred in Washington Thursday with Secretary of State Alexander Haig and talked Friday with a group of newsmen about his visit.

Rajaratnam said he came to Washington to establish contact with the new Reagan administration, meeting with Haig and other State Department officials Thursday and with some congressmen Friday. He said Singapore urges the U.S. should step up its supply of arms to Thailand and aid forces, including Pol Pot units, resisting the Vietnam invasion of Kampuchea.

"The Soviet Union is giving some of its latest equipment to the Vietnamese who are surrogates for the Soviets," Rajaratnam said. Urging U.S. support for Kampuchean resistance, he said: "We must not lose sight of the fact that we are dealing with an aggression backed by the Soviets. The Vietnamese and Soviets must know that continuation is going to be costly. That would be a real deterrent."

Rajaratnam said the U.S. should also assist the Afghans resisting the Soviet invasion.

Troops deployed at Indian oil installations

NEW DELHI, Jan. 31 (AP) — India's Defense Ministry Friday announced the deployment of army troops at oil installations in the troubled northeastern state of Assam following threats by anti-immigrant agitators to reimpose a crippling oil blockade, the United News of India reported. Oil workers in Assam ended a non-cooperation strike last Wednesday, breaking the 397-day blockade of petroleum supplies to the rest of India.

The ministry said in a statement that the troops were to "provide a precautionary sec-



SIAMESE TWINS: Czechoslovak Siamese twins surgically separated in the east Bohemian town of Hradec Kralove last Dec. 19, the same day on which they were prematurely delivered. The twins were joined at the sternum, navel and liver in an unprecedented reversed position. The bottom picture shows the boys one month after the successful surgery.

Malaysians demand death for illicit drink brewing

KUALA LUMPUR, Jan. 31 (R) — Leaders of the Indian community here are calling for the imposition of the death penalty for anyone caught brewing an illicit liquor called samsu following the deaths this week of 31 men and women.

The deaths brought the number of Malaysians who have died from the drink in the past three years to more than 60. Numerous others have been permanently blinded.

Samsu drinkers are mainly poor Indian estate workers. Deaths from drinking the poisonous liquor in the northern state of

Kedah galvanized Indian political leaders to protest. Datuk Samy Vellu, acting president of the Indian Party in Malaysia's ruling coalition, said existing laws of mandatory jail terms and canings for those convicted of making illegal spirits were ineffective.

Samsu addiction is deep-rooted among the Indian population here. Perumal, a trade union leader and author of a book on the drink, estimated that nearly 30 per cent of the adult Indian population uses it. Indians make up about 11 per cent of Malaysia's 13 million people.

A survey carried out in the three states of Selangor, Perak and Negri Sembilan in 1979 revealed some 57,000 samsu addicts. The drink itself is cheap and foul-tasting but for the low-income, mostly illiterate Indian plantation workers it offers a quick form of escape from their drab lives. Its easy availability has hampered efforts by the authorities to stop its consumption.

Illicit samsu has a rice base with added ingredients which, according to medical experts, can cause death or permanent physical maiming. Police who raided a secret distillery after the death of 11 plantation workers in Selangor state two years ago found huge earthenware jars filled with the poisonous liquor in which maggots, dead frog, rats and lizards were floating.

Quintuplets celebrate 5th birthday

TOKYO, Jan. 31 (AP) — Japan's first quintuplets, three girls and two boys, celebrated their fifth birthday Saturday by visiting their grandparents in Kagoshima, southern Japan. The five-year-old quintuplets are the children of Yorimatsu Yamashita, 33, a reporter for NHK, the Japan broadcasting Corp., and his wife, Noriko, 33. They live in Tokyo.

The girls are Tomoko, Taeko and Hisako, the boys, Fukutaro and Yohci. They are healthy and beginning to display individual characteristics, their mother told news reporters.

Sabotage suspected in ship disaster

JAKARTA, Jan. 31 (Agencies) — An Indonesian reporter who survived the world's Java Sea ferry disaster said Saturday the ship's captain believed sabotage was involved. Syafriz Kaliudhi of the national news agency Antara, whose wife and three children were been missing since the ferry *Tamponer II* sank Tuesday, said the captain spoke of sabotage when asked on board about a fire which preceded the sinking.

Indonesia's south Sulawesi province was in mourning Saturday for the estimated 300 victims — many assumed to be local people — from the ill-fated passenger liner. The disaster was regarded locally as the fourth biggest-ever at sea, with the sinking of the *Titanic* episode ranking as the worst in terms of deaths.

In a television broadcast from the Sulawesi provincial capital Ujungpandang, for which the ship was heading from Jakarta, Governor Andi Oedding called on the population to fly flags at half-mast until Sunday to mourn the dead.

The *Tamponer II*, formerly the Japanese ship *Great Emerald*, caught fire two days before sinking roughly half way to Ujungpandang. Minister of Communications Nurmin Yaryatno Friday announced the total of recovered bodies at 143, and those missing and feared drowned at 369, giving a provisional death toll of 512 from a total of 1,300 passengers and crew. A total of 672 people were plucked from the sea by a rescue fleet of ships and helicopters.

Sri Lanka leader dead

COLOMBO, Jan. 31 (AFP) — Wilfred Gopallawa, former president of Sri Lanka, died Friday in hospital after a heart attack. He was 83. A lawyer, Gopallawa was appointed governor general of the country in 1962 and became its first president in 1978 when a new republican constitution was adopted. He retired in 1978 to be succeeded by Jayewardene who assumed office as the first executive president of Sri Lanka.

Gopallawa also served as Sri Lanka's ambassador in Washington before he was appointed governor general.

Trouble erupts in Tibet

PEKING, Jan. 31 (AFP) — The Chinese-ruled autonomous region of Tibet appears to be the scene of serious unrest, according to a Lhasa Radio broadcast. The radio quoted Yin Fatang, Tibet's Communist Party boss, as saying: "Our organs of dictatorship and army units stationed in Tibet should discharge their respective duties and resolutely struggle against the counter-revolutionary, criminal and sabotage activities". The text of the broadcast was received here Friday.

The number of Chinese troops deployed in Tibet, a territory representing one-eighth of the whole of China and inhabited by about 1.8 million people, is a closely guarded military secret. But experts estimated Chinese army strength in Tibet at between 200,000 and 600,000 men. Speaking at a Tibetan party representative conference, Yin said a "handful of bad elements have sown discord among the nationalities."

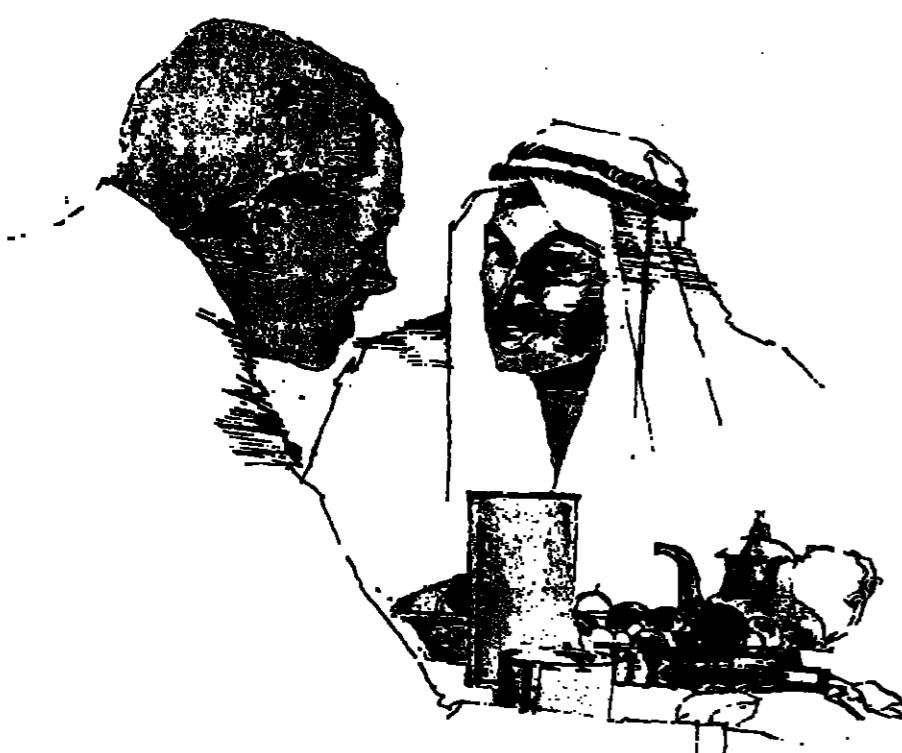
Yin's comments were aimed at advocates of Tibet's independence and the return home of the Dalai Lama, the Tibetan king now living in exile in India. Foreign newsmen who have visited Tibet over the past two years have witnessed several

demonstrations of respect and allegiance to the Dalai Lama who fled his country in 1959 after a Tibetan uprising was crushed by the Chinese army. Foreign newsmen also witnessed the enduring strength of Lamaist Buddhism, the national religion of Tibetans, despite the crackdown on its faithful by Chinese authorities, particularly during the Maoist cultural revolution.

Yin said this "handful of bad elements undermined the motherland's unification, fanned religious fanaticism, popularized the Book of heavenly Prophecy, disseminated the idea of restoring reactionary rule, attack the socialist system, opposed party leadership and engaged in restorationist activities."

In July last year foreign journalists visiting Tibet saw a demonstration by 2,000 people in Lhasa that had been sparked off by a delegation of the Dalai Lama. Yin also stressed the presence of cultural revolution partisans in Tibet where the cultural revolution appears to have been particularly bloody. His statements come at a time when the regime is having difficulties with another autonomous region, Xinjiang, which borders both Tibet and the Soviet Union.

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دبي

Peru claims victory in border clashes

YO, Jan. 31 (UPI)—Peru claimed it was sing Ecuadorian invaders off Peruvian soil, while thousands of Ecuadorans demonstrated in their national capital against what they called Peruvian aggression.

Peruvian Prime Minister Manuel Ulloa said two and a half days of jungle fighting had led in capturing Ecuadorian forces from remote military outpost of Paquisha. He did not provide the extent of losses. He said the regaining of a second post known as Alcaico was imminent.

Although Ulloa did not mention it, a government source said Friday Ecuador was still in control of a third outpost on Peruvian soil, known as PU 4. The three outposts are distributed in the shape of a triangle along the border on the eastern slope of the Cordillera del Condor. They are separated from each other by about 10 miles of thick jungle.

RTA, Jan. 31 (UPI)—Peru has six miles of Camana, a river flowing into the Peruvian out-

spit of Camana.

Staff Sgt. Alfonso Barrera, told him that Ecuadorian troops were on Peruvian soil and urged him to remove them. When Ecuador did not respond 48 hours later, Peru attacked Paquisha.

In Brasilia, a four-nation mediation panel

agreed Friday to meet quickly to seek a solution to the border fighting, Brazilian officials said Saturday.

Foreign Ministry officials said the United States, Argentina and Chile had agreed to join Brazil in reconvening the four-nation conference, established to mediate Peruvian-Ecuadorian border demarcation.

American officials said they did not know when a meeting of the signatory countries in the so-called "Protocol of Rio de Janeiro" would be held. Such a meeting could come by Monday, other officials said.

In Guatemala

Army patrols attacked

GUATEMALA CITY, Jan. 31 (AP)—Guerrillas attacked two military patrols in the northern sector of the country today. Military sources said 29 guerrillas and 10 soldiers were killed in the fighting. The soldiers were killed when the guerrillas attacked a military vehicle on the pan-American highway about 95 miles northwest of the capital, at Los Encuentros, an intersection leading to the tourist attractions of Lake Atitlan, Quetzaltenango and Chichicastenango.

A military communiqué said the guerrillas opened fire on the vehicle with heavy fiber weapons and several anti-personnel "Claymore" mines. But the soldiers returned fire and chased the guerrillas about 15 miles down the road where in another firefight, 12 guerrillas were killed.

In another incident near San Juan Coatzal, a military patrol trapped a guerrilla band believed responsible for an attack Thursday in which one officer died and two soldiers were wounded. San Juan Coatzal is a small village about 140 miles northwest of the capital at the end of the highway in the Quiche state.

Media trust to control Zimbabwe's papers

SALISBURY, Jan. 31 (AP)—The government has named the seven members of a state-financed trust that will control the country's five major newspapers.

The Mass Media Trust, as it has been called, will be headed by Dr. Davidson Sada, a private medical practitioner. Its other members will include two whites and four blacks.

The trustees were named by Information Minister Nathan Shamuyarira in a statement released Friday.

The trust was previously held by the South African Argus Printing and Publishing Co. The newspapers include the *City Herald* of Salisbury and the *Chronicle*, published in the second-largest city of Bulawayo.

With U.S. delegate

Waldheim discusses aid cut

UNITED NATIONS, Jan. 31 (R)—Secretary General Kurt Waldheim conferred for the first time Friday night with the new United States delegate, Jeane Kirkpatrick, who will present her credentials next week, a spokesman said. Among the matters discussed was a reported recommendation to ask U.S. voluntary contributions to U.N. agencies, the spokesman said, Friday.

Much of the funds expanded by these agencies is for Third World projects. Mrs. Kirkpatrick, the only woman and the only Democrat in President Reagan's cabinet, strongly criticized the Carter administration's posture towards the Third World, calling it an utter failure.

Waldheim proposed last week an early meeting with U.S. Secretary of State Alexander Haig.

Times' editors to sue government

LONDON, Jan. 31 (AFP)—The editorial staff of the *Sunday Times* newspaper, whose purchase is currently being negotiated by Australian press magnate Rupert Murdoch, will challenge in the courts the government's decision not to consult the Monopolies Commission on the takeover.

The move to institute legal proceedings was voted Friday by a meeting of National Union of Journalists members at the *Sunday Times*. By acquiring the *Sunday Times*, Murdoch, who already owns the *News of the World* (circulation 4.4 million), would effectively control 30 per cent of all London Sunday newspaper sales.

Trade Minister John Biffen indicated earlier in the week that it had been decided not to consult the Monopolies Commission on Murdoch's bid to acquire the *Times*, the *Sunday Times*, and the two weekly *Times* supple-

ments in the *Times* newspapers group.

The owners, Thomson Newspapers have announced they will close down all four publications in April unless a buyer is found before then. Murdoch said he is prepared to buy the *Times* group if he can negotiate an agreement with the printing unions by mid-February on introducing new production technology and reducing printing staff.

Ecuador claims Paquisha is located inside its territory on the Nagara River west of the Cordillera del Condor. The Peruvian position is that there are two Paquishas, one of them on the Nagara River and the other on Peruvian territory on the east slope of the Cordillera. The post seized Thursday is on the Camana river and Peruvian soil, Ulloa said.

Peru claims Ecuador sneaked its troops across the border and occupied the three abandoned outposts, using names of already existing Ecuadorian places to influence international opinion by giving the impression Peru had invaded Ecuador.

Foreign Minister Javier Arias Stella said Peru realized what had happened for the first time when an army helicopter on a routine supply mission was struck by ground fire while flying over Peruvian Paquisha on Jan. 22.

He said he called his Ecuadorian counterpart, Alfonso Barrera, told him that Ecuadorian troops were on Peruvian soil and urged him to remove them. When Ecuador did not respond 48 hours later, Peru attacked Paquisha.

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Trudeau attacks U.K. move

OTTAWA, Jan. 31 (R)—Prime Minister Pierre Trudeau has attacked a British parliamentary report suggesting Britain has the power to reject Canada's request for the transfer of its constitution, now enshrined in a 114-year-old British law. "Britain has no right to decide what is good for Canada," Trudeau said Friday.

The report to parliament said Westminster would have to accept Canada's request to hand over the constitution only if most Canadians and their provincial governments supported the proposal. Canada has asked Britain to transfer or "patriate" the British North America Act, which defines Canada's constitution, with a charter of rights and an amending formula attached.

Canada's parliamentary opposition and most provinces do not want Westminster to decide the matter. They want the constitution brought home first, to allow Canadians to approve the proposed charter of rights. Trudeau, who said Britain should not interfere, insisted he had the word of British Prime



Canadian Prime Minister Pierre Trudeau

Minister Margaret Thatcher that the Canadian-proposed package would be approved.

The charter, which attempt to set out the rights of all Canadians, is yet to be presented to Westminster. It is under scrutiny by committees in the Canadian parliament.

Anthony Kershaw, head of the Foreign Relations Committee which drew up the report, made clear that for the package to win British approval, Trudeau had to show he had support from the provinces and the people as a federal whole.

Namibia talks failure

U.N. blames S. Africa

UNITED NATIONS, Jan. 31 (Agencies)—Several members of the United Nations Security Council have deplored the failure of the Geneva conference on Namibia early in January.

South Africa was generally blamed for that failure in a Security Council meeting on Namibia (South West Africa) called Friday by Taib Sult of Tunisia on behalf of the African countries. Sult told the Council the Geneva conference had at least "clarified once and for all who is responsible (for the deadlock). There is no longer any doubt on the intentions of the Pretoria regime. No credit should be given to its promises or its commitments."

The question now, he said, was "if the attitude of the Western countries toward South Africa will be the same after Geneva as before." Sult complained that South Africa, which retains control over Namibia despite the U.N. efforts for Namibian independence, was "depending mainly on repression, and aggression." It would not willingly negotiate or accept "democracy or elections," he said.

French representative Jacques Leprette expressed regret over the lack of decisive progress at Geneva, considering that it was the first time that all the protagonists in the

Namibian dispute were at the negotiating table — "a development whose importance everybody realizes." Anthony Parsons of Britain recalled the appeal by his Foreign Minister Carrington to Pretoria to modify its position.

U.S. representative Richard Petree called for continued efforts for a peaceful solution. Soviet delegate Richard Olivimikov said the time had come for the Security Council to decree mandatory sanctions against South Africa. Countries whose promises had delayed sanctions should now back them.

Chinese representative Ling Qiang, chairman of the council meeting, said Peking backed "all reasonable propositions by African countries to resolve the Namibia problem."

The Security Council adjourned without setting a date for its next Namibian discussion. The next session will probably be after the February ministerial meetings of the nonaligned countries and Organization of African Unity, informed sources said.

Secretary-General Kurt Waldheim called for continued efforts to get started on a plan for U.N.-supervised elections leading to Namibia's independence from South Africa.

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BUYER : Hold it. Looks like we Saudis are the only people you haven't sold your tubes and pipes to.

EEPC : No. We have been selling them to you since 1956. In fact since 1967-68 we have sold you more than 165, 793 tonnes of steel tubes and pipes.

BUYER : So you have. But just because you have sold to other Middle East countries and just because you've sold to us before does not mean that we should buy from you again. Our options are wide open. Everybody is after our money. And we are after the best. What have you got to offer?

EEPC : Quality.

BUYER : Well, that's what everybody is offering. What's so great about your quality, eh?

EEPC : Thicker-walled tubes. Made from prime quality steel to the most exacting international standards like BS-1387, BS-1139, BS-3059, ASTM-A120 and ASTM-A106. With the strictest on-line quality control from raw material to the finished product.

BUYER : Thicker-walled tubes? Why do I need thicker-walled tubes when I may have nothing to complain about thin-walled tubes we are using now? And they are cheaper too.

EEPC : But how long do they last? Do they bend without the weld splitting?

BUYER : Well, you've got a point there. What about yours?

EEPC : Ours last much longer and have leak-proof joints and they don't split on bending. So a little more in price is compensated for by a lot more in durability and performance. In fact, in the long run, they will prove much more economical than thin-walled tubes.

BUYER : Makes sense. Now, what about deliveries?

EEPC : Our deliveries match our quality and competitive price. Otherwise, why would we be exporting to 63 countries all over the world including USA, UK, Canada, China, Australia, W. Germany, Sweden, to the value of approximately U.S. \$ 380 million?

BUYER : Well, well, no need to get excited. Of course, I understand. I may have been a little tough. But we are all in business. We've got to be careful. Now, what more?

EEPC : A wide range of steel tubes, pipes and fittings in diameters ranging from 15 mm to 300 mm, both welded and seamless. We help you locate the right suppliers to deliver the right goods at the right price at the right time. We provide reports on suppliers' status, technical competence and capacity to supply. We organise suitable programmes for businessmen's visit to India. We...

BUYER : Well, brother, I don't think I could have asked for more. Let's go for a cup of coffee and you can tell me where to contact you.



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OPEC doubles aid to developing states

VIENNA, Jan. 31 (Agencies) — The Organization of Petroleum Exporting Countries (OPEC) has agreed here to double its loans to the Third World this year, but failed to finance famine relief requested by the United Nations Food and Agriculture Organization (FAO). However it agreed to pay poorer countries' dues in a commodity stabilization fund.

Ibrahim Shihata, director of the OPEC fund for international development, said Friday the 13 ministers agreed to spend \$500 million on development aid in 1980 and \$700 million in 1981.

The fund spent just under \$400 million on aid to the developing countries in 1980.

OPEC ministers also agreed to contribute \$450 million over the next three years to the

IMF grants \$126m loan to Turkey

ANKARA, Jan. 31 (R) — The International Monetary Fund (IMF) has released \$126 million of fresh credits to Turkey under a three-year stand-by agreement signed last June, Turkish Central Bank officials have said.

The credit, the third tranche of a \$1.6 billion loan over three years pledged by the fund, has been transferred to the Central Bank accounts and is available immediately, they said Friday.

Turkey received two tranches of \$250 and \$22 million last June and September and is due to receive a total of \$400 million from the IMF in 1981.

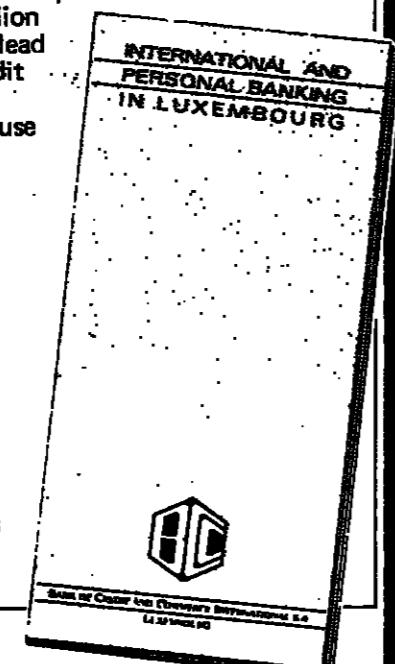
The IMF credits are part of an international program to salvage Turkey's troubled economy which has involved repeated devaluations of the Turkish lira.

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Declining economy may rob Germans of holiday abroad

BONN, Jan. 31 (R) — The decline of the once-mighty West German economy is now serious enough to threaten one of the German citizen's cherished pleasures, his summer holiday abroad.

West Germans have long been compulsive travelers, spending their wealth in the rest of Europe and beyond.

But a swift collapse in the mark coupled with a government minister's warning that travel restrictions may have to be introduced has shown that even this tradition may have to bow to economic reality.

The slump of the mark against other currencies is again to the cost of foreign holidays, already made dearer by higher inflation abroad. And technology Minister Andreas Von Buelow said recently that Bonn might have to consider restraining tourist travel to try to improve the balance of payments.

The finance and economic ministries, aware of how unpopular travel restrictions would be, quickly dissociated themselves from Von Buelow's remarks, saying such measures were neither useful nor necessary. Bundesbank President Kari Otto Poch said such protectionism could lead

to counter action by others.

But Bonn officials admit the rapid growth and size of Germany's net deficit on tourism and foreign travel adds to the problems of reducing the balance of payments deficit. The net travel deficit in the first 11 months of 1980 was an enormous 24.3 billion marks (\$13.4 billion).

A survey by the Organization for Economic Cooperation and Development (OECD) shows West Germans are easily the world's leading tourists with their spending on foreign travel almost double that by Americans. Next come the French and Japanese.

In the past, a large deficit on West Germany's invisible trade balance, which includes travel, had been offset by an even larger surplus on visible trade in goods.

But the latest oil price explosion sent Germany's imports soaring and plunged its current account balance of payments deeply into deficit. The country has by almost all the oil it uses from abroad.

After a surplus of 17.5 billion marks (\$8.7 billion) in 1978, the current account swung into a deficit estimated at up to 30 billion marks (\$16.5 billion) last year.

Wall Street

Brokers make record profits

NEW YORK, Jan. 31 (AP) — In the mixed bag of good and not-so-good 1980 earnings reports making the rounds of Wall Street these days, some of the most impressive showings are being posted by the brokers themselves.

Merrill Lynch, the street's biggest firm, chalked up earnings of \$203.3 million for the year, up 71 per cent from 1979. Another large broker, E.F. Hutton, reported profits of \$82.6 million, more than doubling the number on its bottom line for 1979.

Such record results came as no surprise to anyone who followed the securities industry's progress through 1980, which almost any measure was its best year ever. Trading volume on the New York stock exchange surpassed the pace of 1979, which itself had set records, by nearly 40 per cent. The shares of publicly-owned brokerage firms responded accordingly. Standard and Poor's index of eight brokers' stocks climbed 105 per cent during the year, while Standard & Poor's 500-stock composite index gained a little more than 23 per cent.

The DOW Jones average of 30 industrials, up 7.08 at 947.27 in the past week, was down 16.72 for the month. The NYSE's composite index, off .55 at 74.27 on the week, showed a January loss of 3.59 points. At the American stock exchange, the market value index stands at 345.03, up 3.67 in the past week, but down 3.96 for January.

NYSE volume continued to set an active pace, however, totaling 955.53 million shares in the trading month that ended Friday.

Partly for that reason, some analysts who follow the industry remain high on its prospects for 1981. The Value Line investment survey ranks the broker stocks No. 1 out of the 92 industry groups it follows for potential performance in the year ahead.

Over-all, Value Line describes the long-term prospects of the securities industry as "superb." But it adds couple of caveats.

"Quarter-to-quarter projections must be considered somewhat tentative in light of the volatility of both interest rates and NYSE volume," the advisory service acknowledges.

"Due to the cyclical nature of the brokerage business, wide earnings swings are the rule, not the exception. That is why we advise these issues for aggressive investors only."

Foreign Exchange Rates

Quoted at 5:00 P.M. Friday

	SAMA	Cash	Transfer
Bahraini Dinar	—	8.65	8.86
Belgian Franc (1,000)	101.00	—	—
Canadian Dollar	2.79	—	—
Deutsche Mark (100)	162.00	162.00	156.70
Dutch Guilder (100)	149.00	—	144.70
Egyptian Pounds	—	4.40	4.45
Emirati Dirham (100)	—	90.90	90.85
French Franc (100)	70.00	70.00	68.30
Greek Drachma (1,000)	—	72.25	73.90
Indian Rupee (100)	—	—	4.115
Iranian Rial (100)	—	—	—
Iraqi Dinar	—	8.25	—
Italian Lira (10,000)	34.00	35.50	33.80
Japanese Yen (1,000)	16.40	—	16.30
Jordanian Dinar	—	10.70	10.49
Kuwaiti Dinar	—	12.25	12.22
Lebanese Lira (100)	—	89.00	86.50
Moroccan Dirham (100)	—	75.00	75.15
Pakistani Rupee (100)	—	—	33.70
Philippines Peso (100)	—	—	44.50
Poland Sterling	8.05	8.03	7.80
Qatari Rial (100)	—	91.85	91.70
Singapore Dollar	—	—	1.61
Spanish Peso (1,000)	—	41.20	41.20
Swiss Franc (100)	179.00	182.00	173.90
Syrian Lira (100)	—	62.00	65.75
Turkish Lira (1,000)	—	36.00	—
U.S. Dollar	3.33	3.335	3.34
Yemeni Rial (100)	—	—	73.50
Gold kg.	54,200.00	—	—
10 Tolas bar	6,350.00	—	—
Ounces	—	1,700	—

Cash and Transfer rates supplied by Al-Rajhi Company for Currency Exchange and Commerce, Gabel St., Jeddah — Tel : 23815.

Saudi Arabian Government Tenders

Authority	Description	No. of Tender	Price SR	Closing Date
Municipality of Dammam	Supply and installation of children's games at the municipal park.	—	200	Feb. 24
Ministry of Education	Construction of primary school, model (2), comprising 18 classrooms.	31/M	3000	Feb. 21
University of Petroleum and Minerals, Dhuhran	Improvement of university facilities for water (project No. 293/1/37 (W))	—	—	Feb. 1
Ministry of P.T.T. (Saudi)	Annual maintenance of different types of instruments and machinery	410150	50	Feb. 2
Ministry of Health	Construction of two chambers for low voltage transformers at the extension project of Hail Hospital	801	600	Feb. 1
Ministry of the Interior, Dept. of Public Security	Supply of spare parts for short range wireless sets	34/400	2000	Feb. 2
		401	—	—

U.S. analysts foresee return of recession

WASHINGTON, Jan. 31 (R) — The U.S. economy may be poised to fall back into the recession some economists have been expecting, according to government figures released.

The commerce department said Friday the index of leading indicators, forecasting economic growth for the immediate months ahead, declined in December for the first time in seven months.

The decline was 0.8 per cent after an increase of 1.5 per cent in November and an upturn of 0.6 in October. The last decline in the index was in May 1980 when it fell 2.4 per cent.

If the indicators turn out to be accurate, it will mean that President Reagan will have to deal with economic stagnation in the early months of his presidency.

The Reagan administration plans to unveil an economic program in the next two weeks to deal with the country's already high unemployment and inflation.

The administration plans to propose budget cuts described by Reagan at his press conference Thursday as larger than anyone has tried before, as well as a cut in personal and business taxes and easing of federal regulations.

His advisers believe such a package will not only stimulate the economy and put people back to work but will lead to a cut in inflation which was over 12 per cent in 1980. But some

economists are unsure about this and few believe Reagan can do anything in the short term to turn the economy around.

"Over the next five to six months we will see stagnation, high interest rates and a fairly weak economy," said Lawrence Chimerine, chief economist at the Economic consulting Chase, Econometrics.

Zimbabwe to reject £75m British loan

SALISBURY, Jan. 31 (R) — Zimbabwe Finance Minister Enos Nkala has said he would reject a £75 million (\$480 million) aid package from Britain unless it was all given as a grant.

"This country will not go to the dogs because Britain has withdrawn her £75 million," he told parliament after announcing a mini-budget which increased taxation, mainly on the 200,000 white minority, to raise \$120 million for government social projects.

His comments coincided with fresh disclosures in parliament about a military pay scandal, in which the government has lost millions of dollars through frauds in guerrilla ceasefire assembly camps.

Just under two thirds of Britain's aid package is in the form of grants and the rest in loans.

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Renaldo letters syn mark

ANGELES, Jan. 31 (R) — Renaldo of the United States set world record of 6.01 seconds in the 50-yard hurdles at the Annual Los Angeles Athletics meet Friday night.

British athlete, who dominated the high hurdles and outdoors for the past two years, set 1/100th of a second off his own world best time of 6.04 seconds, set in February 1979. The 21-year-old hurdles star came back half an hour after the 60-yard event.

American Steve Scott held off Ireland's Alan Coghlan record holder Eamonn Coghlan's world mile in 3:53.7, with Coghlan finishing in 3:54.3 and another Irishman, which means, third in 3:54.4. James Sanford of the United States ran the third fastest indoor 1000 meters in 6.08 seconds.

The biggest surprise of the night, American coach Padilla, edged out Tanzania's parliament athlete Nyambu in the two miles, winning which means, 1. His compatriot Don Page won the 1000 meters in 1:52.1, with Mike Bolt of Kenya, American Evelyn Ashford won the two-thirds of 60 yards in 6.60 seconds, third fastest indoors.

There were only two foreign winners at the meet, Greg Joy of Canada won the men's 1000 meters with seven feet two inches (2.18) and Ellen Wessinghage of West Germany the women's mile in 4:36.1.

Meanwhile, in Netherlands Soviet swimmers in their country a good start on the night of the 20-nation swimming meet by winning two of the four events. Their victories went to the United States and Germany.

The first confrontation between American and Soviet swimmers in a 50-meters pool in United States' boycott of the Moscow Games last summer, Serge Roessner of the men's 200 meters individual medley Soviet Union in two minutes 07.71 American Rick Carey second in 5.

American 400 and 1500 meters freestyle medalist Vladimir Salnikov won the men's 200 meters individual medley in 2:23.54.

Germany's Heinke Daelne took the men's 800 meters freestyle with a time of 8. American Karin LaBerge came a second in 8.49.88 with June Croft of a third in 8.54.65.

Hernandez of Spain retained his title when the referee stopped his bout after 10th round.

sharp clash of heads earlier in the round ended a deep cut on Galan's right eye and the fight was stopped after the clash, bleeding heavily from the injury, was treated by a doctor.

Hernandez, 30, champion for the past two went on the offensive from the opening and a solid left cross to the 24-year-old's jaw.

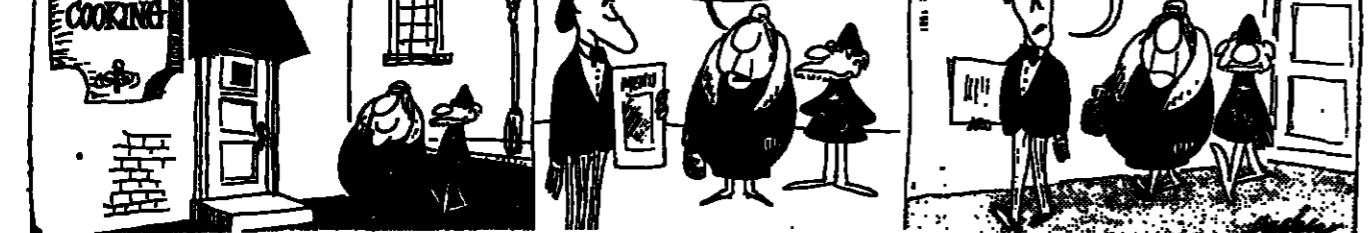
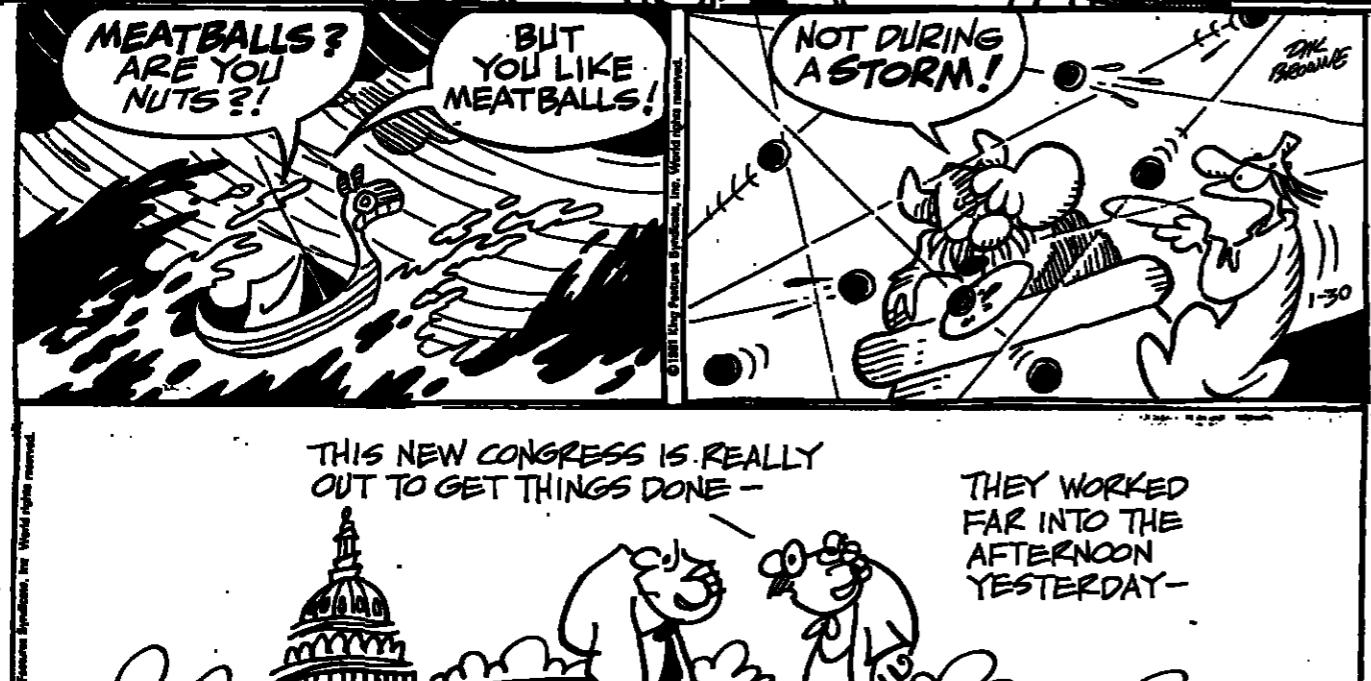
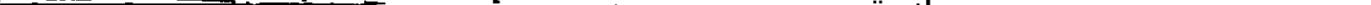
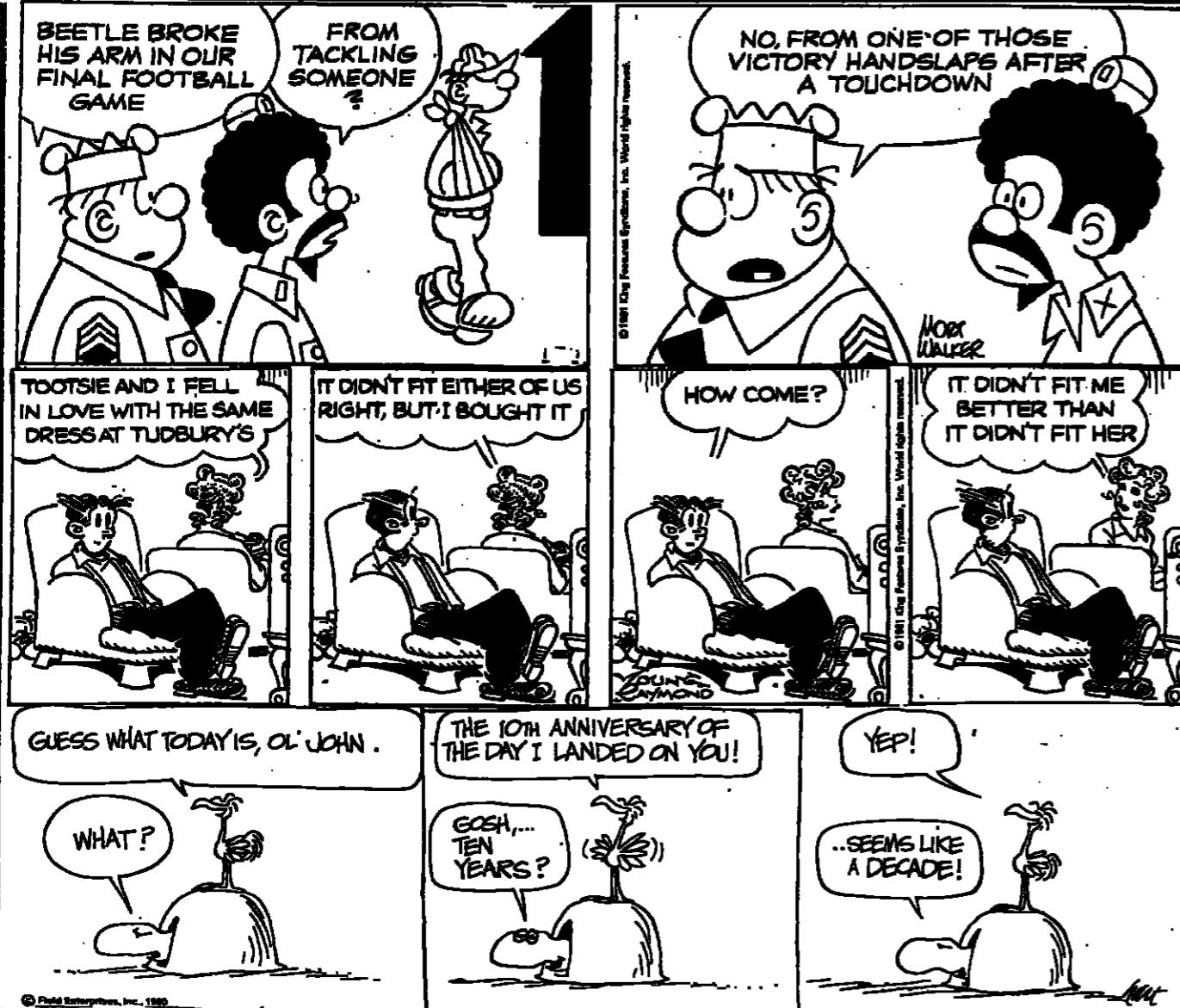
in that moment the less experienced Hernandez — unbeaten in 14 fights — never as if he could beat Hernandez. Hernandez has now won 33 of his 38 fights.

— AP

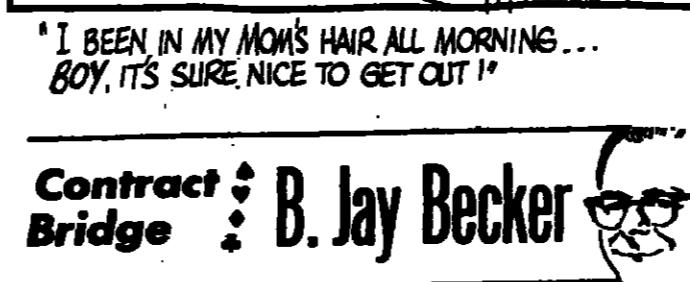
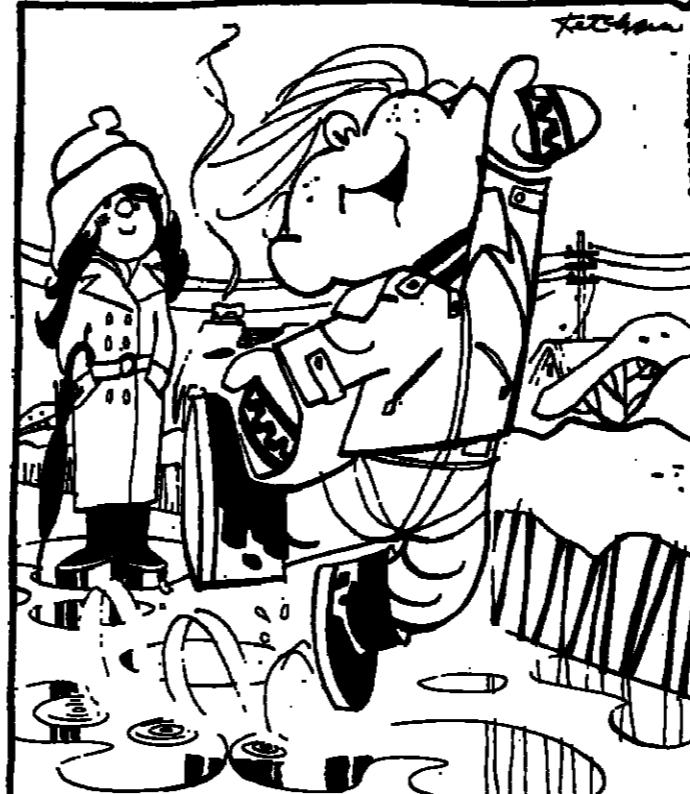
VAL

Hernandez keeps title

— AP



DENNIS the MENACE



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North dealer.
North-South vulnerable.

NORTH

♦10 8 5
♦6 3
♦A K J 10 8
♦A J 5

WEST

♦6
♦J 4
♦9 5 3
♦K 10 9 7 4 3

EAST

♦A Q J 9 7 4 2
♦Q 10 5
♦6 2
♦8

SOUTH

♦K 3
♦A K 8 7 2
♦Q 7 4
♦6 2

The bidding:

North East South West
1 0 3 ♦ 4 ♦ Pass
Pass Pass

Opening lead — six of spades.

It is wrong to adopt a method of play that cannot succeed, when a different method of play is available that offers a legitimate chance of success. The principle is obviously correct, but to apply it to a given hand sometimes presents a stiff challenge. In effect, South pursued a will-o'-the-wisp in this deal when he went down in a contract he should have made.

West led a spade, East taking the ace and returning a

spade which West ruffed. West then played the king of clubs to dummy's ace and declarer cashed the A-K of trumps, hoping to find the suit now divided 2-2.

But West showed out and South learned he had to lose another trump trick. In an effort to dispose of his club loser, he played three rounds of diamonds, hoping that East would follow to all three — in which case South could discard a club on the fourth round of diamonds. But East ruffed the third round and South later lost a club trick to go down.

Declarer failed to realize that he was sure to go down by playing as he did. East had shown up with seven spades at trick two, and with a club and three trumps as early as trick five. With 11 of East's 13 cards accounted for, it had become impossible for him also to have three diamonds.

Consequently, after playing the A-K of trumps, South should have led another trump, in the hope of finding East with two diamonds and a club rather than a diamond and two clubs. Had he done that, his precaution would have been rewarded and he would have made the contract.

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penditures on pleasure. Enjoy repartee with loved ones.

LIBRA
(Sept. 23 to Oct. 22)
Money arrives unexpectedly. Home improvement projects may preoccupy you now, but remember to be considerate of loved ones.

SCORPIO
(Oct. 23 to Nov. 21)
Shopping trips lead to unexpected finds. Save time for creative work. Local visits are stimulating, but watch late-day blues.

SAGITTARIUS
(Nov. 22 to Dec. 21)
A private chat brings surprising news. Shopping trips for household necessities are indicated. Friends and money don't mix favorably.

CAPRICORN
(Dec. 22 to Jan. 19)
Keep news about financial developments confidential. Enjoy creative hobbies. Meetings with higher-ups are not favored now.

AQUARIUS
(Jan. 20 to Feb. 18)
Distinct career developments bring joy. Shopping trips to out-of-the-way stores may lead to bargains. Avoid self-recrimination.

PISCES
(Feb. 19 to Mar. 20)
Friends give helpful advice on career matters. You're articulate now and able to convince others. Make important calls and write letters.

SALT	AMIGO
AMIR	SOLONG
LIVY	CREOLE
ADE	BETTER
DENTINE	BAM
ORT	NOVA
GRAND	DOYEN
DOYLE	RELY
RELY	SUN
ALL	GENERAL
GENERAL	BON
BON	LEVI
LEVINE	RUTIN
RUTIN	EVENED
EVENED	ISLE
ISLE	ERASIE
ERASIE	PEER

Yesterday's Answer
21 Construct 31 Lariat
22 Scorpion 32 Of a fore-
23 Inflexible 33 arm bone
24 Mythological 34 shade of
25 Grammatical 35 gray
case (abbr.)
26 Building 36 paper size
27 Transgress 37 Good-bye (Sp.)
28 Inflexible 38 Gun
29 Inflexible 39 attachment
30 Mythological 40 Gun
31 Agnes DeMille 41 Czech river
32 Scorpion 42 Headed

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by THOMAS JOSEPH

ACROSS

1 Song refrain 1 Less acceptable, as an excuse

5 Lively 2 Nimble

10 Expectant 3 Nocturnal

11 First 4 Mature

12 Bog down 5 Infrequent

13 Spellbinder 6 Hour (It.)

14 Hebrew 7 Draw

for Lord 8 Dice thrower

15 Fruit drink 9 Genghis

16 Nonsense! 10 Khan's domain

17 Take up 11 Mock-up

quarters 12 Glance

13 — 13 Good-bye (Sp.)

attachment 14 Gun

15 Infested 15 Paper size

24 Infested 16 Lesser

25 Lesser 17 Main star

26 Gun 18 Czech river

27 Gun 19 Headed

28 Gun 20 Agnes DeMille

29 Gun 21 Construct

30 Gun 22 Scorpion

31 Gun 23 Inflexible

32 Gun 24 Mythological

33 Gun 25 Grammatical

case (abbr.)

34 Gun 26 Building

35 Gun 27 Transgress

36 Gun 28 Inflexible

37 Gun 29 Agnes DeMille

38 Gun 30 Gun

39 Gun 31 Gun

40 Gun 32 Gun

41 Gun 33 Gun

42 Gun 34 Gun

43 Gun 35 Gun

44 Gun 36 Gun

45 Gun 37 Gun

46 Gun 38 Gun

47 Gun 39 Gun

48 Gun 40 Gun

49 Gun 41 Gun

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89 Gun 81 Gun

90 Gun 82 Gun

91 Gun 83 Gun

92 Gun 84 Gun

93 Gun 85 Gun

94 Gun 86 Gun

95 Gun 87 Gun

96 Gun 88 Gun

97 Gun 89 Gun

98 Gun 90 Gun

99 Gun 91 Gun

100 Gun 92 Gun

101 Gun 93 Gun

102 Gun 94 Gun

103 Gun 95 Gun

10

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PAGE 14

Agreements reached

Polish workers win two major demands

WARSAW, Jan. 31 (Agencies) — The Polish government and the independent union Solidarity have reached agreements on two of the three major issues which have led to an upsurge of industrial unrest all over the country. The agreements on the reduction of working hours as well as on union access to the mass media were thrashed out at prolonged talks between Solidarity leader Lech Wałęsa and Prime Minister Józef Piłsudski Friday night, a union spokesman announced here Saturday.

On the major remaining question of registration of the farmers' rural Solidarity union, a government commission will go to Rzeszow in the southeast Sunday to study the farmers' claims, the spokesman said.

Polish workers will have three free Saturday days per month this year, according to the agreement worked out during the night. The union spokesman said that the government had recognized the principle of a 40-hour work week, but in view of the country's difficult economic situation, workers would perform their duties one Saturday each month.

The Saturday workday was set at six hours, but the union will ask its members to work a full eight-hour day, the spokesman said.

The union spokesman called the agreement on access to news media "for the most part satisfactory." Solidarity has been granted the right to publish a weekly newspaper, and will have time on television once a week. The length of the broadcast has not yet been set.

The Soviet news agency Tass has accused Western governments of pursuing a campaign of ideological subversion against Poland and implicitly criticized Solidarity for advancing political demands. In a report from Bonn, Tass said Radio Free Europe, Radio Liberty and Wolna Europa were using events in Poland as a "springboard for subversive activity against socialism."

A Tass report from Washington said participants at a recent seminar at the University of Georgetown, including Central Intelligence

WHO clears BCG vaccine

GENEVA, Jan. 31 (R) — Medical experts have given their backing to the BCG vaccine to prevent tuberculosis after studying Indian findings which cast doubt on its effectiveness, the World Health Organization (WHO) has said.

The WHO had set up two expert groups to consider the results of medical research in southern India which found the vaccine offered no protection against lung tuberculosis, the most common form of the disease. The survey covering 360,000 persons, which is still continuing, reported an exceptionally high occurrence of the disease among adults, particularly older men.

The WHO expert groups agreed that the findings published about one year ago were "a complete surprise." But they said the vaccine could have failed because the south Indian variant of tuberculosis had crucial differences from the European and north American kind for which the vaccine was developed.

The expert groups said it would be sensible and wise to continue vaccine programs aimed at infants and children because of its safety and low cost. The WHO estimates tuberculosis strikes three million people and causes half a million deaths each year. The vaccine, named for its two French developers, Albert Calmette and Camille Guérin, has been widely used for years.

British minister's trip to Bangladesh delayed

LONDON, Jan. 31 (AFP) — Fog prevented minister of state at the Foreign Office Peter Blaik from taking off here Friday night Bangladesh, a reliable source said.

Blaik would take another flight to Dacca at around noon Sunday if the weather improved, the source said. The minister is scheduled to pay an official visit to Bangladesh until Feb. 3, and another one to Pakistan from Feb. 4 to 11.

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U.S. may aid Savimbi men in Angola

WASHINGTON, Jan. 31 (R) — The Reagan administration is studying the possibility of giving aid to pro-Western forces in Angola but State Department experts on African affairs say such a move would be a major mistake.

The officials told Reuters the administration was thinking of asking Congress to lift a ban it imposed during the Angola civil war in 1976. The ban blocked the sending of cash or arms to opponents of the leftist Popular Movement for the Liberation of Angola (MPLA).

Many of President Reagan's advisers, including Secretary of State Alexander Haig, blame this policy for the success of Soviet and Cuban-backed MPLA forces in the war which followed Angola's independence from Portugal the previous year.

The MPLA, under the leadership of Agostinho Neto, was opposed by Jonas Savimbi's National Union for the Total Independence of Angola (UNITA) and Holden Roberto's National Front for the Liberation of Angola (FNLA).

UNITA forces are still fighting the MPLA government, and Reagan expressed support during last year's election campaign for giving U.S. aid to Savimbi.

Meanwhile, the Pentagon has disclosed that Warsaw Pact military maneuvers are currently taking place in several of Poland's neighbor countries. The maneuvers began a few days ago in Czechoslovakia, the Pentagon said Friday. It added that exercises on a smaller scale are simultaneously conducted in East Germany and Hungary.

According to the Pentagon the impressive military setup put in place by the Soviet Union around Poland two months ago had never been dismantled and that most Soviet units in the area were still on alert.

U.S. officials also cited what they called unconfirmed or exaggerated press reports of UNITA victories over Cuban and government forces as a reason for exercising caution about any American involvement.



TANKS CAPTURED: Two Iranian tanks captured intact by the Iraqi troops in a recent battle.

Counteroffensive

Iranian army unhappy about clergy meddling

TEHRAN, Jan. 31 (Agencies) — An Iranian military commander has said the armed forces were not happy about the heavily publicized counteroffensive launched against Iraq Jan. 5, according to a newspaper here Saturday.

Gen. Valiollah Fallahi, deputy chief of the Iranian joint staff, was quoted by the newspaper *Mizan* as saying the armed forces were under pressure to launch the offensive from a minority outside the military establishment.

He was referring to criticism at the time from senior clergymen who said the armed forces were not making sufficient efforts to break the deadlock in the Gulf war. Fallahi was quoted as saying that "no part of these

operations was influenced by a coattail atmosphere" and that "all oil officials" disagreed with the attack.

The general's reported remarks reopened an old dispute about the clergy interfering in military affairs. His comments were also the clearest sign to date of disagreement over the offensive, which was billed as the prelude to driving the Iraqis from territory occupied since late September.

Iran initially reported some advances, but recent military communiques have not mentioned significant territorial gains. The offensive quietened criticism by the clergy of President Abdollah Bani-Sadr, who is commander-in-chief of the armed forces. Fallahi's statement may revive the dispute.

The general asked "all people who do not have military training not to interfere in these affairs" and that the armed forces be left to get on with their job. He noted that the Iranians had not been able to prevent Iraqi artillery attacks on cities such as Dezful and Ahwaz in Khuzestan province, let alone drive the Iraqis from Iran. He said Iran could not afford to indulge in risky operations and waste war supplies at a time when Western economic sanctions had been imposed on Iran because of the Americans hostage crisis.

Fallahi said that now the crisis was over, with the release of the 52 hostages 11 days ago, the Iranian war effort should benefit.

Iran could "probably" now take delivery of arms which had been bought from Britain, Italy and other countries but had been blocked because of the hostages, he added.

Pretoria raid claims 11 nationalists

LISBON, Jan. 31 (R) — Mozambique has counted 13 dead from an attack by South African troops against exiled black nationalists in a Maputo suburb, Portuguese radio said Saturday.

The radio quoted Mozambique officials as saying that 11 nationalists, a South African soldier and a Portuguese technician were killed in the two-hour pre-dawn battle Friday.

But the officials said they believed the South Africans carried off half a dozen of their men killed or seriously wounded, the radio reported. There was no mention of casualties among Mozambican soldiers who clashed with the attackers in Marlo, 16 km outside Maputo.

The radio said there were at least 20 attackers, and they drove from South Africa in lorries similar to those of the Mozambican army. They used mortars, bazookas and heavy machineguns.

In Salisbury, Zimbabwe Prime Minister Robert Mugabe condemned the raid and said it was part of Pretoria's plan to destabilize black Africa's frontline states. Zimbabwe and Mozambique are socialist allies and have mutual security agreements.

Mugabe said in a statement: "The invasion is part of the overall strategy of the apartheid regime to destabilize the democratic political order of the frontline states." The government and people of Zimbabwe strongly condemn these barbarous acts that the South African regime is resorting to in defense of her racist and inhuman policies."

Mugabe added: "Yesterday's attack on Mozambique is a signal warning to us not only to proceed with speed to strengthen our defense forces but also to consolidate our military alliance with our Mozambique brothers in defense of our political order and developing economies."

Pretoria has reportedly warned neighboring countries that it is not prepared to strike by while they are used as launching pads by guerrillas against targets in South Africa. South African troops have frequently launched follow-up sorties into Angola against bases of the South West Africa People's Organization (SWAPO), but the raid into Mozambique, appeared to create a new dimension.

Newly independent Zimbabwe, Pretoria's northern neighbor, can no longer feel immune from similar action following South African allegations that it is also supporting the ANC, a black nationalist organization pledged to the overthrow of the apartheid state.

Some South African military analysts said they did not feel the status quo had changed after Thursday night's raid into Mozambique. "We are not stepping up our actions," one analyst said. "You go and hit them. You don't wait until the climate is right."



PRESIDENT'S PROMISE: Welcoming the freed hostages back, U.S. President Ronald Reagan said at a White House function last week that America in the future will respond swiftly and effectively to protect its citizens from terrorists. The freed hostages were sitting to either side of him.

Hostage 'torture'

Normal U.S.-Iran links may be delayed

WASHINGTON, Jan. 31 (R) — Tales by returning American hostages of maltreatment by their Iranian student captors will delay still further prospects for normalizing ties between Washington and Tehran, U.S. officials believe.

"The stories coming out from the hostages will be a burden for a long time," one State Department official said as the 52 Americans freed by Iran on Jan. 20 after 444 days in captivity dispersed to their homes across the country. "The public emotion on each side will not permit a return to the relations prior to the seizure of the hostages," he said.

Americans have been angered by the hostages' accounts of beatings, solitary confinement and psychological harassment, including death threats and mock executions, by the students, who insisted through they were treating their captives well.

The allegations have been vigorously denied by the Iranian government, which says that torture is contrary to the principles of Islam.

Torture, for which Ayatollah Ruhollah Khomeini laid down the death penalty in Iran for agents of the late Shah, is a word some American media have used to describe the hostages' treatment. But one U.S. official

thought the U.S. should try to depose Iran's leader Khomeini.

President Reagan, who took office on the day the hostages left Tehran, has ruled out any act of revenge against Iran despite his threat of "swift and effective retribution" against any future hostage-takers.

Although some Congressmen believe the agreements under which ex-President Carter won the freedom of the hostages are invalid, because they were signed under duress, Reagan has also said he expects to honor them.

The agreements, under which the U.S. unfroze Iranian assets, promised to freeze the Shah's assets in America, and pledged non-interference in Iranian affairs, are still under study by the fledgling administration. The most tangible move so far has been Secretary of State Alexander Haig's refusal to supply arms to Iran, even those Tehran has already paid for.

Chun visit may better ties with U.S.

tics, the officials said.

They believed Reagan would confirm that high-level talks are to be resumed on defense, economic and other issues that the Carter administration halted last May after civil unrest in South Korea.

The South Korean leader is on an official visit to the U.S. and he will be meeting United Nations Secretary-General Kurt Waldheim in New York Saturday for what has been described as a general review of the international situation.

The U.S. officials predicted President Chun would emerge from his two hours at the White House extremely pleased about Reagan's understanding of South Korean problems.

They said Reagan may formally lift President Carter's order to withdraw some of the 39,000 U.S. troops in South Korea. The order was suspended by Carter when intelligence showed a military build-up by North Korea.

Reagan may also offer additional military sales as evidence of his policy of strengthening strategic allies regardless of internal poli-

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